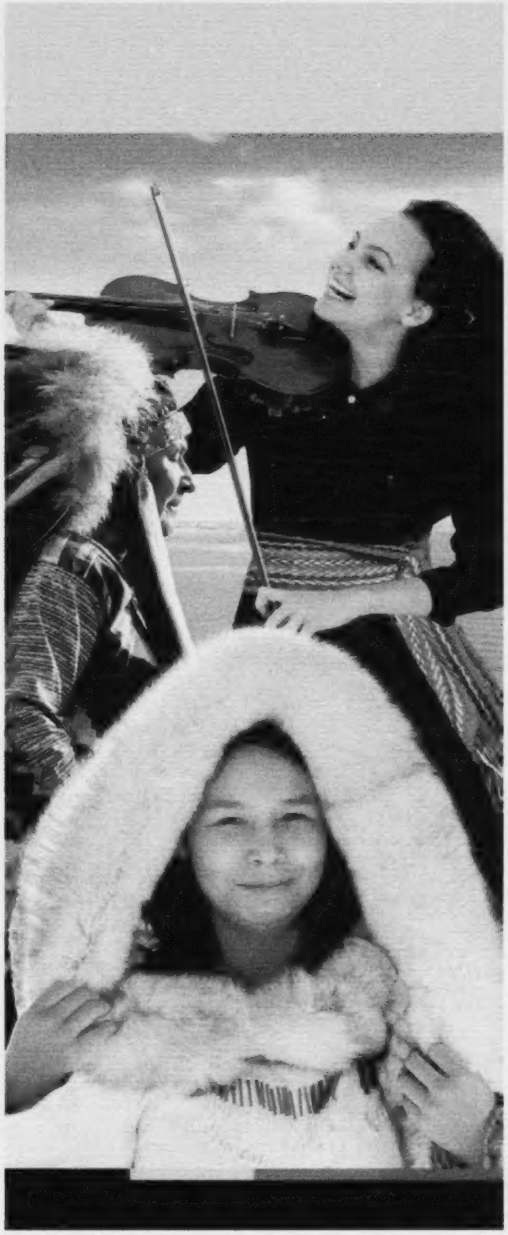
Indigenous and Northern Affairs Canada
Affaires autochtones et du Nord Canada

Indigenous and Northern Affairs Canada

2015–16 Departmental Performance Report

INAC·AANC



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Minister's Message

On behalf of Indigenous and Northern Affairs Canada (INAC), I am pleased to present the *2015–16 Departmental Performance Report*.

This report details steps taken in the past fiscal year to bring about transformational change for Indigenous peoples and Northerners in Canada. Canada is moving forward on renewing the relationship with Indigenous peoples, based on the recognition of rights, respect, cooperation and partnership. By working in full partnership with Indigenous peoples we are progressing on issues most important to First Nations, Métis and Inuit communities. The work we have accomplished so far has furthered our renewed journey of reconciliation, and reflects our commitment to move forward to implement the Truth and Reconciliation Commission's Calls to Action.

One important step on this road took place this year when, on May 10, 2016, Canada became a full supporter, without qualification, of the United Nations Declaration on the Rights of Indigenous Peoples. This announcement confirms Canada is committed to fully implement the Declaration in accordance with the Canadian Constitution.

In response to the unacceptable rates of violence against Indigenous women and girls, we undertook an extensive cross-country engagement process to inform the design of a National Inquiry into Missing and Murdered Indigenous Women and Girls. More than 2,100 people participated in these sessions across the country and over 4,400 people participated through online and written submissions, culminating in the August announcement of the independent commission's terms of reference and the five commissioners who will lead the Inquiry.

Of course, real progress cannot be made without the necessary funding commitments. Budget 2016 made historic investments of $8.4 billion over five years to lead to significant progress on issues most important to First Nations, Métis, Inuit communities, and those living in Canada's North. The investments in education, essential infrastructure (including clean water, housing and schools), as well as skills development and many other programs, will directly contribute to a better quality of life for Indigenous peoples and a stronger, more unified, and prosperous Canada.

We also took a significant step towards ensuring sufficient, predictable and sustainable funding for First Nation communities. As part of the new fiscal relationship with First Nations, the Government of Canada committed to funding that is significantly beyond the two-percent funding cap for First Nation communities. Within five years, total funding will be 22 percent above the level of funding that would have been provided under the previous two-percent cap. The government intends to engage in consultations with Indigenous peoples over the coming year to determine a new long-term fiscal relationship.

In a year of great change, Canada's work towards a new relationship with Métis also moved forward. Discussions in December led to the signing of a memorandum of understanding with the Manitoba Metis Federation for a reconciliation framework.

The Government of Canada has accepted the decision of the Canadian Human Rights Tribunal. The Department provided immediate relief through new investments announced in Budget 2016 to enable the provision of greater prevention services to children and families and establish stability for front-line services. INAC is also committed to working in partnership, and engaging regionally and nationally, on the full-scale reform of the First Nations Child and Family Services Program.

Developing a strong, inclusive and vibrant North also continues to be a priority for the Government of Canada. Progress on the construction of the Canadian High Arctic Research Station is attracting the world to Canada's North, and enhancement of food security will help meet the real needs of Northerners. INAC recently announced the expansion of the Nutrition North Canada Program to isolated communities in the North, measures that will help ensure that Northerners have access to quality and nutritious food. As well, on May 30th, 2016, the Department launched a cross-country engagement process to look at ways to enhance the Program, including how we may better support access to country foods.

I am very proud that, as a result of all these shared efforts, Canadians are united as never before on the need to close the gap in quality of life and ensure a prosperous future for Indigenous peoples and for our country as a whole.

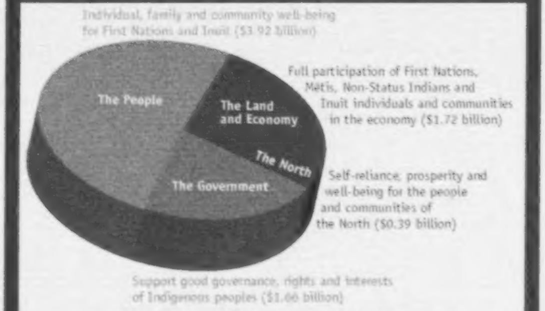
The Honourable Carolyn Bennett, PC, MP
Minister of Indigenous and Northern Affairs

Results Highlights

Actual Spending: $7,955,294,666

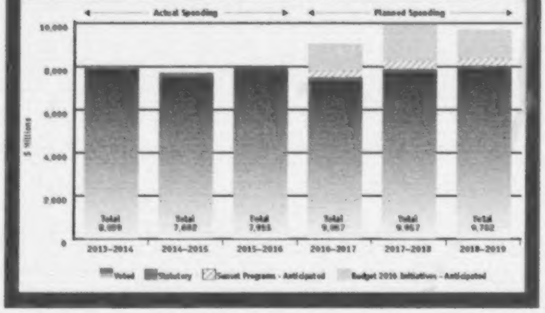
Total Full-Time Employees: 4,524

2015–2016 Actual Spending by Strategic Outcome



This pie chart does not include expenditure on Internal Services, which accounts for $0.27 billion of INAC's actual spending.

Spending Trend



- **In December 2015 the Government of Canada launched a pre-inquiry engagement process on the issue of missing and murdered Indigenous women and girls**
  - More than 2,100 people participated in a pre-inquiry design engagement process held from December 2015 to February 2016 with survivors, family members, loved ones, provincial/territorial representatives, representatives of women's and Indigenous organizations, and other experts
  - More than 4,100 responses were received through an online survey regarding the inquiry design
  - Budget 2016 announced an investment of $40 million over two years to support the inquiry

- **The Government of Canada welcomed the Supreme Court of Canada's Decision in the Congress of Aboriginal Peoples/Harry Daniels case, which affirmed that Métis and Non-Status Indians are "Indians" within the meaning of section 91(24) of the *Constitution Act, 1867***

- **In December 2015, the Government of Canada committed to enter discussions that will explore possibilities of a reconciliation framework agreement with the Manitoba Metis Federation. In 2016 Canada has also commenced exploratory discussions with the Métis Nation of Ontario and the Métis Nation of Alberta.**
  - Reaffirms the Government of Canada's commitment to work, on a government-to-government basis, with the Métis Nation to advance reconciliation and support a renewed relationship

- **Budget 2016 announced historic investments of $8.4 billion over five years to improve conditions of Indigenous peoples and their communities**
  - Budget 2016 announced a substantial investment totalling $2.6 billion over five years in primary and secondary education on reserve
  - $1.8 billion over five years is confirmed to support clean drinking water and the treatment of wastewater on reserve
  - $969.4 million over five years was announced for investments in education facilities
  - $732 million over two years is confirmed to address housing needs on reserve and in Inuit and northern communities through INAC and the Canada Mortgage and Housing Corporation
  - $634.8 million over five years was announced to strengthen the First Nations Child and Family Services Program; INAC is also committed to working in partnership on a full-scale reform of this program

- **As part of INAC's new fiscal relationship, the 2% funding cap on annual funding was lifted**
  - Budget 2016 announced that funding for Indigenous programs will be 22 percent above what would have been provided under the previous two-percent funding cap by 2020–2021, and the government will engage in consultations with Indigenous peoples over the coming year to determine a new long-term fiscal relationship

- **In May 2016 Canada became a full supporter of the United Nations Declaration on the Rights of Indigenous Peoples**
  - Reaffirms the Government of Canada's commitment to implementing the Calls to Action of the Truth and Reconciliation Commission

Section I

Organizational Overview

Organizational Profile

Minister: The Honourable Carolyn Bennett
The Honourable Bernard Valcourt (responsible Minister for *2015–16 Report on Plans and Priorities*)

Ministerial portfolio: Department of Indian Affairs and Northern Development

Enabling Instrument: *Department of Indian Affairs and Northern Development Act,* R.S.C. 1985, c. I-6

Year of Incorporation: 1880

Special Operating Agency: Indian Oil and Gas Canada

Statutory and Other Agencies:
- Indian Residential Schools Truth and Reconciliation Commission
- Inuvialuit Arbitration Board

Departmental Corporation: Polar Knowledge Canada

Crown Corporation: Corporation for the Mitigation of Mackenzie Gas Project Impacts

Shared-Governance Corporations:
- First Nations Financial Management Board
- First Nations Tax Commission

Organizational Context

Raison d'être

Indigenous and Northern Affairs Canada (INAC) supports Indigenous peoples (First Nations, Inuit and Métis) and Northerners in their efforts to:

- Improve social well-being and economic prosperity;
- Develop healthier, more sustainable communities; and
- Participate more fully in Canada's political, social and economic development — to the benefit of all Canadians.

Responsibilities

The Department has a mandate to support Canada's Indigenous and northern peoples in the pursuit of healthy and sustainable communities, and broader economic and social development objectives. Efforts are guided by the Department's mission statement:

> **Working together to make Canada a better place for Indigenous and northern peoples and communities.**

The mandate for Indigenous and Northern Affairs is derived from a number of sources, including the following: the Canadian Constitution, the *Department of Indian Affairs and Northern Development Act,*[i] *the Indian Act*[ii] (as amended over the years), statutes dealing with environmental and resource management, such as the *Nunavut Planning and Project Assessment Act (2013),*[iii] and other statutes, such as the *Northwest Territories Devolution Act (2014).*[iv]

Along with responsibility for administering statutory and regulatory provisions of the *Indian Act,* INAC is also mandated to work with First Nations to implement legislation designed to provide them with jurisdictional powers outside of the *Indian Act.* The Department's mandate is further defined by specific statutes enabling modern treaties and self-government agreements and implementation of those agreements. For a list of all statutes,[v] please consult INAC's website.

Policy and program practices, as well as judicial decisions, also shape the Department's mandate.

INAC negotiates comprehensive and specific claims, as well as self-government agreements and other related processes, on behalf of the Government of Canada. The Department is responsible for implementing its obligations under these agreements and processes, as well as overseeing the implementation of comprehensive claims of other government departments flowing from these agreements. INAC also provides support for services on reserves, such as education, housing, community infrastructure and social support to Status Indians on reserves, administers the land management component of the *Indian Act,* and executes other regulatory duties under the *Indian Act.*

The Minister acts as the Government of Canada's primary interlocutor for Métis, Non-Status Indians and urban Indigenous peoples. The Department further serves as a focal point for Inuit issues, and supports the inclusion of Inuit-specific concerns in federal program and policy development.

Through its Northern Affairs mandate, INAC is also the lead federal department for two-fifths of Canada's landmass, with a direct role in the political and economic development of the territories, and significant responsibilities for science, land, and environmental management. In the North, the territorial governments generally provide the majority of social programs and services to all Northerners, including Indigenous peoples.

The *Canadian High Arctic Research Station Act,*[vi] which received Royal Assent on December 16, 2014 and came into force on June 1, 2015, established Polar Knowledge Canada[vii] as a new federal research organization. This new organization combines the mandate and functions previously held by the Canadian Polar Commission and the Canadian High Arctic Research Station's Science and Technology Program,[viii] which was formerly led by INAC. The organization is responsible for advancing Canada's knowledge of the Arctic and strengthening Canadian leadership in polar science and technology. Although INAC will continue to report on the construction of the Canadian High Arctic Research Station as part of the Northern Science and Technology Program (4.2 of the Program Alignment Architecture) until the transfer of infrastructure to Polar Knowledge Canada in 2017–2018, Polar Knowledge Canada developed its own 2015–16 Departmental Performance Report and will report separately going forward.

Strategic Outcomes and Program Alignment Architecture

INAC's Program Alignment Architecture (PAA), an inventory of the Department's programs and sub-programs, is presented below. The framework demonstrates the logical and ordered relationship between programs, sub-programs, and the four strategic outcomes. Section III of this report is framed around the PAA, providing financial and human resource information, as well as actual results and an analysis of performance and lessons learned at the program level. See Section IV for details pertaining to INAC's sub-programs.[ix]

INAC's 2015–2016 Program Alignment Architecture

1. The Government

Support good governance, rights and interests of Indigenous peoples

- 1.1 Governance and Institutions of Government
  - 1.1.1 First Nation Governments
  - 1.1.2 Indigenous Governance Institutions and Organizations
- 1.2 Rights and Interests of Indigenous Peoples
  - 1.2.1 Negotiations of Claims and Self-Government Agreements
  - 1.2.2 Specific Claims
  - 1.2.3 Consultation and Accommodation
  - 1.2.4 Métis Relations and Rights Management, and Non-Status Indian Relations
- 1.3 Management and Implementation of Agreements and Treaties

2. The People

Individual, family and community well-being for First Nations and Inuit

- 2.1 Education
  - 2.1.1 Elementary and Secondary Education
  - 2.1.2 Post-Secondary Education
- 2.2 Social Development
  - 2.2.1 Income Assistance
  - 2.2.2 National Child Benefit
  - 2.2.3 Assisted Living
  - 2.2.4 First Nations Child and Family Services
  - 2.2.5 Family Violence Prevention
- 2.3 First Nations Individual Affairs
  - 2.3.1 Registration and Membership
  - 2.3.2 Estates
- 2.4 Residential Schools Resolution
  - 2.4.1 Independent Assessment Process
  - 2.4.2 Reconciliation
  - 2.4.3 Support to the Truth and Reconciliation Commission

3. The Land and Economy

Full participation of First Nations, Métis, Non-Status Indians and Inuit individuals and communities in the economy

- 3.1 Indigenous Entrepreneurship
  - 3.1.1 Business Capital and Support Services
  - 3.1.2 Business Opportunities
- 3.2 Community Economic Development
  - 3.2.1 Lands and Economic Development Services
  - 3.2.2 Investment in Economic Opportunities
  - 3.2.3 Administration of Reserve Land
  - 3.2.4 Contaminated Sites (On Reserve)
- 3.3 Strategic Partnerships
- 3.4 Infrastructure and Capacity
  - 3.4.1 Water and Wastewater
  - 3.4.2 Education Facilities
  - 3.4.3 Housing
  - 3.4.4 Other Community Infrastructure and Activities
  - 3.4.5 Renewable Energy and Energy Efficiency
  - 3.4.6 Emergency Management Assistance
- 3.5 Urban Indigenous Participation

4. The North

Self-reliance, prosperity and well-being for the people and communities of the North

- 4.1 Northern Governance and People
  - 4.1.1 Political Development and Intergovernmental Relations
  - 4.1.2 Nutrition North
  - 4.1.3 Climate Change Adaptation
- 4.2 Northern Science and Technology
  - 4.2.1 Northern Contaminants
  - 4.2.2 Science Initiatives
- 4.3 Northern Land, Resources and Environmental Management
  - 4.3.1 Petroleum and Minerals
  - 4.3.2 Contaminated Sites
  - 4.3.3 Land and Water Management

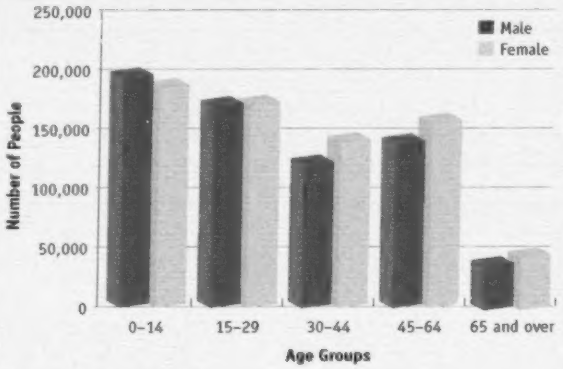
5.1 Internal Services

Operating Environment and Risk Analysis

INAC faces many opportunities and challenges as it delivers its mandate and contributes to the achievement of the Government of Canada's priorities and commitments. This includes renewing the relationship between Canada and Indigenous peoples, and making real progress on the issues most important to First Nations, Inuit, Métis, Non-Status Indians, and northern communities.

The October 2015 federal election had a significant impact on the way the government conducted its business. For a three-month period leading up to the election, INAC — along with all government departments — restricted its activities to routine and necessary business for continued good governance. The election results profoundly shifted gears for government departments, with the announcement of new direction and new plans and priorities for the Government of Canada. In particular, the Prime Minister signaled to all Ministers that there is no relationship more important to him and to Canada than the one with Indigenous peoples, highlighting the need to work collaboratively across the federal government, and with provinces and territories, as well as to re-engage in a renewed, distinction-based approach to relationships with Indigenous peoples. Furthermore, INAC's Ministerial Mandate Letter outlined 13 new priorities for the Minister of Indigenous and Northern Affairs, setting an ambitious new direction for the Department.

Distribution of Indigenous Population in Canada



Source: 2011 National Household Survey

Note: The total Aboriginal population is defined as those persons who identified with one or more Aboriginal groups (i.e. First Nations (North American Indian) and/or Métis and/or Inuk (Inuit)) in response to Question 18 and/or responded "yes" in response to Question 20 (Registered or Treaty Indian Status) and/or responded "yes" in response to Question 21 (membership with a First Nation or Indian band).

At the same time, INAC's responsibilities continue to be shaped by unique demographic and geographic challenges, as well as centuries of Canadian history, including historical trauma. The changing social, economic and political landscapes strongly influence INAC's priorities. They also affect funding provided to Indigenous peoples, provinces, territories and other recipients for the delivery of services to diverse groups of people (i.e. First Nations, Inuit, Métis, and Northerners), with varied and distinct needs, from remote northern settlements with extreme climates to urban metropolitan areas.

A key factor in Canada's changing demographic landscape is the Indigenous population, which is young and growing at twice the rate of the Canadian population overall. While this brings the challenge of ever-increasing demand for services — Indigenous people in Canada continue to have lower levels of education, poorer health and quality of life, and higher levels of unemployment than Canadians overall — it also represents an unprecedented opportunity to harness the potential of capable, educated Indigenous youth now and in the future. For too long, Indigenous peoples in Canada have experienced economic and social inequities that have compromised their chances for success. To achieve meaningful reconciliation with Indigenous peoples, the Government of Canada must work in genuine partnership to end these inequities — to close the gap — because healthy and thriving Indigenous communities contribute to a healthy and thriving Canada. Engagement with Indigenous peoples at all stages of policy and program development and implementation is critical for this shared outcome. As a first step, Budget 2016 announced increased investments of $8.4 billion over five years to support Indigenous peoples and communities by improving socio-economic conditions and bringing about transformative change. This includes $4.3 billion over five years to provide support to children and to improve education and training. Budget 2016 also lifted the two-percent funding cap for First Nation programs, as part of establishing a new fiscal relationship that gives First Nation communities sufficient, predictable and sustained funding.

A number of environmental issues are of concern to Northerners and the Canadian public at large, including the cumulative effects of climate change and its impact on traditional lifestyles and transportation, contaminants in the Arctic food chain, and the remediation of contaminated sites. The balance between facilitating resource development (including streamlining current regimes and removing barriers to private sector investment), respecting obligations under northern land claim agreements, and protecting the environment is a vital and significant ongoing challenge.

The legal environment is complex and continually evolving. The Supreme Court of Canada and other courts have delivered rulings on the rights of Indigenous people, which have had a major impact on INAC's mandate and the way the Department works to fulfill the Crown's legal obligations. The ongoing refinement of constitutionally protected Aboriginal and treaty rights will continue to result in court decisions with significant financial implications for the Government of Canada.

The 2016 Supreme Court of Canada decision in *Daniels v. Canada (Department of Indian Affairs and Northern Development Canada)* was a historic ruling, bringing much needed clarity to the rights of Métis and Non-Status Indians. The Government of Canada is dedicated to working in genuine partnership with Métis and Non-Status Indians — based on recognition of rights, respect and partnership — in order to meaningfully advance the work of reconciliation. The current context also includes significant attention to childhood claims.

INAC's internal operating environment is also in transition as the Department moves to implement a number of new and simplified processes for more effective delivery of its programs and internal services. This includes developing a new results framework to monitor and report on plans and performance, strengthening a culture of measurement, evaluation and innovation to ensure optimal use of resources, and modernizing procurement business processes in order to enhance client service and process control.

The inspiration of Blueprint 2020[x] has led INAC on the journey to Destination 2020 to meet the challenges of today and tomorrow — where innovation and challenging of orthodoxies and old patterns are seen as essential to sound policy development and service delivery, and where collaboration and openness are fundamental to day-to-day work. To carry out the government's mandate, public servants must work with the right tools, use optimized processes and operate within the right structures. We must remain focused on improving wellness and mental health in the workplace and renew our efforts to attract, retain and develop talent.

To address the complexity of this operating environment and the associated risks, a well-defined governance structure has been established within INAC to implement and sustain effective risk management practices throughout the Department. This includes an annual assessment of its risks as part of INAC's Corporate Risk Profile (CRP). The CRP is a point-in-time overview and assessment of the most significant risks that threaten achievement of the Department's mandate, and serves as the primary means of assessing and planning risk response strategies. The table below outlines the highest external risks facing INAC and corresponding risk response strategies to address them. Examples of risk response strategies may be found throughout the DPR.

Key Risks

Risk	Risk Response Strategy	Link to Programs
Environmental Risk refers to the risk to the Department posed by human activities that impact the environment and the risk of environmental processes such as climate change.	• Developed robust governance and oversight for the management of the contaminated sites portfolio in the North, and for the portfolio of contaminated sites on reserve so that risks to human health, the environment, and the economy are appropriately identified and managed in a timely fashion. The Northern Contaminated Sites Program and the Contaminated Sites On Reserve Program are committed to contributing to a safer and healthier sustainable environment for Indigenous people and Northerners by remediating higher risk sites on a priority basis under the Contaminated Sites Management Policy. • Assessed the state of solid waste management on reserve and developed a strategy to mitigate environmental impacts and threats to human health. • Conducted care and maintenance and risk mitigation activities at the Giant Mine site in the Northwest Territories to eliminate high human and environmental health and safety risks. This included the stabilization of degrading underground chambers and pits, as well as the decontamination and removal of deteriorating infrastructure. • Advanced key activities at the Faro Mine site in the Yukon, including the completion of a draft report outlining a proposed approach to construct a diversion for the North Fork Rose Creek, which is one of the most critical components of the project, to ensure the continued protection of the environment. • Supported community vulnerability assessments and adaptation planning to address the impacts of climate change in northern and Indigenous communities. Funding received through Budget 2016 will be used to implement two new climate change adaptation programs to address the different regional needs and priorities of the North and First Nations in the South. Climate Change Preparedness in the North will facilitate federal co-ordination and the development of a Northern Adaptation Strategy that will identify northern priorities for action on climate change adaptation. The First Nation Adapt program will address climate change impacts in First Nation communities on reserve, related to infrastructure and emergency management. • Commenced the implementation of an Environmental Review Process, pursuant to the *Canadian Environmental Assessment Act 2012,* that will provide adequate environmental impact assessments for all economic and infrastructure developments on reserve lands to ensure that adverse impacts on the environment are eliminated or mitigated. • Implemented a Structural Disaster Mitigation Framework that allows First Nation communities to implement structural mitigation activities to strengthen their infrastructure against extreme weather events and other disasters. • Commenced work to strengthen environmental regulations and legislation (north and south of 60°N), and updated existing policies, guidelines and tools to address, where applicable: water, wastewater, solid waste, housing, and infrastructure.	Northern Land, Resources and Environmental Management Northern Governance and People Infrastructure and Capacity Community Economic Development
Legal Risk recognizes that departmental policies, programs and activities may result in litigation.	• Worked to resolve departmental litigation using the most appropriate resolution mechanisms (including out-of-court settlements). • Supported improved forecasting of advisory and litigation services. • Worked to ensure that the Department is prepared for upcoming decisions through contingency planning. • Proactively strengthened litigation awareness through outreach activities with sectors and other government departments to highlight key litigation that may impact departmental programs/policies.	Rights and Interests of Indigenous Peoples Management and Implementation of Agreements and Treaties Education Social Development

Risk	Risk Response Strategy	Link to Programs
Indigenous Relationship Risk relates to fostering and maintaining the broad spectrum of relationships with Indigenous communities, persons, and the organizations that represent them.	• Work commenced on a national inquiry to address the high number of missing and murdered Indigenous women and girls. • Began implementation of Calls to Action from the Truth and Reconciliation Commission, including: consultations on the design of the National Inquiry on Missing and Murdered of Indigenous Women and Girls; the Prime Minister's commitment to develop a National Reconciliation Framework informed by the Truth and Reconciliation Commission; and Canada's full endorsement of the United Nations Declaration on the Rights of Indigenous Peoples. • The Residential Schools Settlement Agreement continued to be implemented (e.g. Common Experience Payment, Independent Assessment claims, disbursement of Personal Credits). • In Budget 2016 the government made a significant step towards ensuring sufficient, predictable and sustained funding for First Nation communities by lifting the two-percent funding cap for First Nation programs. To determine a new long-term fiscal relationship, the government will engage in consultations with Indigenous peoples over the coming year. • Implemented ongoing improvements to critical programs such as Education, Income Assistance, Water and Wastewater. Through the Income Assistance Reform initiative, INAC worked in partnership with Employment and Social Development Canada and communities to improve access to training programs and other supports to help income assistance clients transition to employment. The Department also continued to advance discussions with First Nation organizations seeking to establish First Nation school boards and/or other transformative education governance models, and initiated discussions with First Nations about establishing a new partnership for First Nation education, one where INAC works collaboratively with First Nations to ensure that all First Nation students receive a culturally responsive, high-quality education that improves student outcomes, while respecting the principle of First Nation control of First Nation education. • As per the terms of the modern treaties and in response to requests, regular and ongoing meetings were held with treaty signatories. The meetings provided more opportunities to maintain positive working relationships and discuss the ongoing implementation of the agreements as well as identify any challenges or issues moving forward. • Worked with Indigenous groups and provinces/territories to enhance tools to address section 35 rights and to establish effective consultation processes within the context of the planned National Reconciliation Framework. This included work with the First Nations Summit and the Province of British Columbia, various Métis groups, as well as with interested negotiation tables. • Continued to streamline departmental processes to increase flexibility and reduce administrative burden through improved standardized transfer management practices leading to simplified reporting. • Implemented ongoing improvements to service delivery to First Nation individuals. • Supports were increased to regional front-line officers responsible for building and maintaining relationships with First Nations and regional Indigenous organizations.	All programs

Organizational Priorities

The relationship between the Government of Canada and Indigenous peoples is vitally important — not only to our shared economic interests, but also to our respective identities as nations. A renewed, distinction-based approach to relationships with Indigenous peoples, based on recognition of rights, respect, co-operation and partnership, is fundamental to how we move forward together.

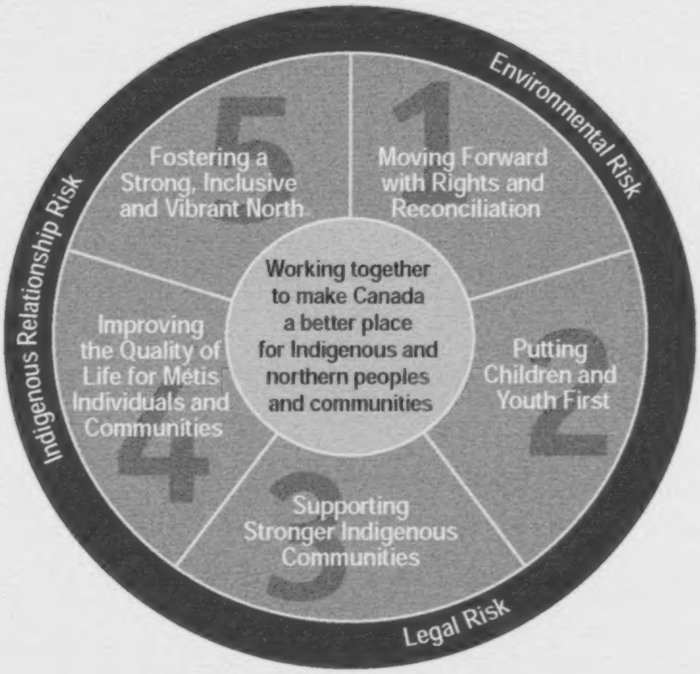
In support of a renewed relationship, the Department, in close collaboration with other federal departments and agencies, has already begun to engage with Indigenous peoples and Northerners to make progress on issues important to First Nations, the Métis and Inuit communities, and those living in Canada's North.

Following the 2015 federal election, the Government of Canada shifted course mid-year. Given this shift, the priorities articulated below reflect a mapping of the four priorities outlined in the 2015–16 RPP[xi] in accordance with the new direction and focus of the new government as framed in the 2016–17 RPP,[xii] with strong linkages to and emphasis on progress in relation to the 13 Ministerial Mandate Letter priorities.

As such, in 2015–2016, INAC focused its progress on the following five key priorities:

1. Moving Forward with Rights and Reconciliation
2. Putting Children and Youth First
3. Supporting Stronger Indigenous Communities
4. Improving the Quality of Life for Métis Individuals and Communities
5. Fostering a Strong, Inclusive and Vibrant North

Operational Snapshot


Environmental Risk
Legal Risk
Indigenous Relationship Risk
1
Moving Forward with Rights and Reconciliation
2
Putting Children and Youth First
3
Supporting Stronger Indigenous Communities
4
Improving the Quality of Life for Métis Individuals and Communities
5
Fostering a Strong, Inclusive and Vibrant North
Working together to make Canada a better place for Indigenous and northern peoples and communities

Priority 1: Moving Forward with Rights and Reconciliation

Description: Reconciliation is not just an issue for Indigenous peoples, it is a Canadian issue. It is about establishing and maintaining a mutually respectful relationship between Indigenous and non-Indigenous peoples through a renewed, distinction-based approach to relationships based on recognition, respect, cooperation and partnership that will help us to progress on critical issues, create stronger communities and promote economic growth. We can only move forward by supporting the work of reconciliation, and continuing the necessary process of truth telling and healing, alongside provinces, territories, and with First Nations, the Métis, and Inuit. Reconciliation is also about respecting the relationship between Indigenous people and the land, and respecting traditions and perspectives on environmental stewardship.

Type:[1] Ongoing

Key Supporting Initiatives

Mandate Letter Priorities	Start Date	End Date	Status	Link to Programs
In collaboration with the Department of Justice Canada and Status of Women Canada, launch a national public inquiry into missing and murdered Indigenous women and girls in Canada, to seek recommendations on concrete actions to address and prevent violence against Indigenous women and girls	December 2015	Summer 2016	On track	2.2.5
Work with provinces and territories, First Nations, the Métis, Inuit and other stakeholders to implement Calls to Action[xiii] of the Truth and Reconciliation Commission, starting with the implementation of the United Nations Declaration on the Rights of Indigenous Peoples	November 2015	Ongoing	Ongoing	2.4.2
Undertake, with advice from the Department of Justice, in full partnership and consultation with First Nations, Inuit and the Métis, a review of laws, policies and operational practices to ensure that the Crown is fully executing its consultation, accommodation and legal obligations under international and domestic law in relation to human rights, including rights of Indigenous peoples	November 2015	Ongoing	Ongoing	1.2.3
Support an annual meeting of the Prime Minister and First Nation, Métis and Inuit leaders	December 2015	Ongoing	On track	1.2
Work with residential school survivors, First Nations, the Métis, Inuit communities, provinces, territories, and educators to incorporate Aboriginal and treaty rights, residential schools, and Indigenous contributions into school curricula	Ongoing	Ongoing	On track	2.1.1

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[1] Type is defined as follows: previously committed to — committed to in the first or second fiscal year prior to the subject year of the report; ongoing — committed to at least three fiscal years prior to the subject year of the report; and new — newly committed to in the reporting year of the Report on Plans and Priorities or the Departmental Performance Report.

Planned Initiatives (2015–16 RPP)	Start Date	End Date	Status	Link to Programs
Address section 35[2] rights (*Constitution Act, 1982*) and promote better socio-economic outcomes and economic self-sufficiency for Indigenous communities, and economic growth for all Canadians	April 2015	Ongoing	Ongoing	1.2.1 1.3
Update section 35 policies and programs to more effectively advance comprehensive land claim and self-government negotiations	April 2015	Ongoing	Ongoing	1.2
Create and maintain ongoing partnerships for the management and implementation of comprehensive land claims and self-government agreements, and continue to engage federal government departments and agencies regarding their roles in negotiating and implementing their obligations pursuant to these agreements	Ongoing	Ongoing	Ongoing	1.3
Continue to work with the Province of British Columbia and First Nations to negotiate modern treaties in the British Columbia treaty process	Ongoing	Ongoing	Ongoing	1.2.1
Lead, on behalf of the Government of Canada, the implementation of the Indian Residential Schools Settlement Agreement, and contribute to a reconciliation agenda moving forward	September 19, 2007	March 31, 2020	On track	2.4.1 2.4.2 2.4.3
Continue to develop and foster positive relationships between the Government of Canada and Indigenous organizations, provinces/territories, domestic and international partners and other partners through the negotiation and implementation of comprehensive land claims and self-government agreements	April 2015	Ongoing	On track	1.2.1
In partnership with Inuit stakeholders, support Inuit land claim organizations to undertake activities related to the Nanilavut Initiative in their respective regions	November 2010	To be determined	Ongoing	1.2.3

Progress Toward the Priority

In 2015–2016, the Department made tangible progress on renewing the relationship between Canada and Indigenous peoples through establishing and maintaining a mutually respectful rapport with Indigenous and non-Indigenous peoples.

From December 2015 to February 2016, INAC held a pre-inquiry design engagement process on the issue of missing and murdered Indigenous women and girls with survivors, family members, loved ones, provincial/territorial representatives, representatives of women's and Indigenous organizations and other experts. More than 2,100 people participated in these sessions across the country. More than 4,100 responses were received on inquiry design via an online survey, in addition to approximately 300 written submissions. Recommendations on the inquiry's terms of reference, commissioner(s), format, scope and timeline were shaped by input received during the pre-inquiry process. Budget 2016 announced $40 million in funding for the inquiry and the proposed approach and mandate of an independent Inquiry into Missing Indigenous Women and Girls in Canada[xiv] has now been prepared. The Commission for the Inquiry will report to the Prime Minister of Canada and will make recommendations on ways to prevent violence against Indigenous women and girls in Canada. An announcement on the launch of the Inquiry was made in August 2016.

To support the government's efforts towards reconciliation, the Minister of INAC announced on May 10, 2016 that Canada is now a full supporter of the United Nations Declaration on the Rights of Indigenous Peoples.[xv] This announcement also reaffirmed Canada's commitment to adopt and implement the Declaration.

INAC is already implementing key aspects of the Declaration as part of its ongoing departmental business lines related to improving socio-economic outcomes (e.g. education and social development programs) for Indigenous people. In addition, a Director General-level Interdepartmental Working Group has been established to develop an engagement strategy, and discussions have been initiated with provincial and territorial ministers and leaders of national Indigenous organizations.

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[2] Section 35 of the *Constitution Act, 1982* recognizes and affirms the existing Aboriginal and treaty rights of the Aboriginal peoples of Canada.

The Department also supported a fair and lasting resolution to the legacy of Indian residential schools and promoted reconciliation with former students, their families and communities, and other Canadians. This was accomplished by providing the support to render 2,273 decisions on claims of abuse by the Indian Residential Schools Adjudication Secretariat under the Independent Assessment Process;[xvi] disclosing 967,555 documents to the Truth and Reconciliation Commission; and promoting reconciliation between the Government of Canada and Indigenous peoples, as well as between Indigenous and non-Indigenous peoples, through participation in the Truth and Reconciliation Commission's Final Event and release of the Final Report.[xvii]

To support the work of reconciliation and truth telling, INAC, in partnership with Health Canada, ensured that health supports were available at Independent Assessment Process hearings, participated in the Truth and Reconciliation Commission's Closing Event and, as a gesture of reconciliation, provided $2 million in funding to support the National Centre for Truth and Reconciliation, the Legacy of Hope Foundation and Reconciliation Canada.

Initial work has been undertaken towards the review of laws, policies and operational practices to ensure that the Crown is fully executing its consultation and accommodation obligations, in accordance with its international commitments and constitutional obligations. This work will help situate this priority among other broad-scale engagement processes being undertaken by the federal government.

The Department continued to use tripartite discussions on education to encourage the mutual sharing of expertise and existing Aboriginal curriculum, and support the tables in efforts to develop new curricula and supports. The Department also began work on the development of a broader, multi-stakeholder approach to promote the incorporation of Aboriginal and treaty rights as well as the history of residential schools and Indigenous people into school curricula across Canada.

Furthermore, in keeping with its 2015–2016 Organizational Priorities, INAC continued to address constitutionally recognized Aboriginal treaty rights (section 35 of the *Constitution Act, 1982*[xviii]) through the negotiation of comprehensive land claims and self-government agreements and the effective implementation of modern treaties currently in effect. The benefits of comprehensive land claims agreements include greater legal certainty with respect to the use and ownership of lands and resources and the reduction of barriers that impede development.

INAC also continued work with the Province of British Columbia and First Nations to negotiate modern treaties in the tripartite British Columbia treaty process.[xix]

Ministerial Special Representative, Mr. Thomas Isaac, was granted an extension by the Minister until June 30, 2016 for the submission of the final version of the report on his engagement with Métis organizations to develop a process for dialogue on section 35 Métis rights, and with the Manitoba Metis Federation to advance dialogue on reconciliation with the Métis of Manitoba.

Finally, in partnership with the Nanilavut multi-stakeholder working group, INAC continued to undertake activities related to the Nanilavut Initiative.[xx] Activities included finalizing the research component from Library and Archives Canada to be integrated into the Inuit Nanilavut database, advancing work on the Information Sharing Agreement between INAC and Inuit land claim organizations for the collection and disclosure of the database, and further developing policy outcomes for the project.

Priority 2: Putting Children and Youth First

Description: Over 647,000 Indigenous people (46%) are under the age of 25. It is in the interest of all Canadians to ensure that this generation benefits from a comprehensive framework of support for children, youth and their families. Today, only approximately half of First Nation students living on reserves graduate from high school. Focusing on education, as well as addressing the social determinants of health — including poverty, nutrition and school infrastructure issues — are essential to improving the well-being and quality of life of Indigenous children, youth and families. Working with First Nations to improve social policies and programs is key to meeting this priority. Addressing the risks and vulnerabilities that act as socio-economic barriers to educational achievement and economic growth will help build safer, more resilient, and self-sufficient Indigenous communities and individuals.

Type: Previously Committed

Key Supporting Initiatives

Mandate Letter Priorities	Start Date	End Date	Status	Link to Programs
Work with First Nation partners and provinces to identify and advance new investments and innovative approaches, including efforts to strengthen First Nation education systems on reserve to ensure that First Nation children on reserve receive a quality education	2016–2017	Ongoing	On track	2.1.1
Invest additional funding in school infrastructure under the Capital Facilities and Maintenance Program for building and refurbishing First Nation schools	April 1, 2016	March 2021	On track	3.4.2
Work with Employment and Social Development Canada to launch consultations with provinces and territories and Indigenous peoples on a National Early Learning and Childcare Framework, as a first step towards affordable, high-quality, flexible and fully inclusive child care	December 2015	Ongoing	On track	2.1.1
Work with Status of Women Canada and Infrastructure Canada to grow and maintain Canada's network of shelters and transition houses, to ensure that no one fleeing domestic violence is left without a place to turn	November 2015	Ongoing	On track	2.2.5

Planned Initiatives (2015–16 RPP)	Start Date	End Date	Status	Link to Programs
Work with willing and able partners on reform efforts in support of First Nation control of education, ultimately leading to improved outcomes for First Nation students, allowing them to acquire the skills needed to enter the labour market and be full participants in a strong Canadian economy	Ongoing	Ongoing	On track	2.1
Continue to build organizational capacity and expertise of First Nations to deliver educational services to elementary and secondary First Nation students ordinarily resident on reserve	Ongoing	Ongoing	On track	2.1.1
Continue to collaborate with tripartite education partners on elementary and secondary education reform	Ongoing	Ongoing	On track	2.1.1
Work to improve social policies and programs that emphasize the safety and security of Indigenous women, children and families through prevention and protection services	Ongoing	Ongoing	On track	2.2.5
Modernize Indian registration and integrate business processes to issue the Secure Certificate of Indian Status in a single-window, seamless process for first-time applicants	April 2014	April 2021	On track	2.3.1
Reform social programs to improve outcomes for First Nation communities by strengthening partnerships with provinces and the Yukon in areas of Income Assistance and Child and Family Services programs	Ongoing	Ongoing	On track	2.2.4

Progress Toward the Priority

In 2015–2016, the Department progressed in addressing the socio-economic barriers to educational achievement and economic growth to help build safer, more resilient and self-sufficient Indigenous communities and individuals.

Budget 2016[xxi] provided substantial new investments in primary and secondary education on reserve, totaling $2.6 billion over five years, starting in 2016–2017. This includes funding to address immediate needs and to keep pace with cost growth over the medium term. It also includes investments in language and cultural programming, investments in literacy and numeracy, and special needs education, all of which will contribute to improved education outcomes.

INAC's collaborative work with the Minister of Infrastructure and Communities and the Minister of Status of Women has resulted in additional investments being announced as part of Budget 2016, notably:

- $969.4 million over five years for investments in education facilities;
- up to $33.6 million over five years, and up to $8.3 million ongoing in additional funding to better support shelters serving victims of family violence in First Nation communities; and
- $10.4 million over three years to support shelter renovations and construction of new shelters for victims of family violence in First Nation communities. Canadian Mortgage Housing Corporation's Shelter Enhancement Program will be responsible for construction of and renovations to shelters.

The Department is also actively supporting an interdepartmental effort co-ordinated by Employment and Social Development Canada to engage stakeholders — including Indigenous peoples — on a National Early Learning and Child Care Framework.

In 2015–2016 the Department continued to integrate the separate processes of Indian registration and issuance of Secure Certificates of Indian Status (SCIS) into a single, seamless, client-centric service delivery model. This included developing a new, single application form for use starting in 2016–2017, and aligning document requirements to validate identity for both registration and card application.

The Department also continued the development of the Indian Registration and Estates Management System (IREMS) as an IT solution to consolidate four existing departmental systems and to modernize service delivery.

The Department continued to work with willing First Nation partners to develop models for elementary and secondary education reform. INAC also continued to collaborate with tripartite education partners on elementary and secondary education reform through tripartite working group and oversight efforts. For example, in August 2015, the Newfoundland/Labrador/Innu Memorandum of Understanding was signed by all parties. This brings to 10 the total number of tripartite education agreements.

INAC also funded 22 proposals under the First Nation Student Success Program[xxii] and the Education Partnerships Program[xxiii] for structural readiness. This funding was used by First Nation organizations to build their capacity to deliver school board-like services.

Additionally, a range of family violence prevention projects were funded, including: the operations of 41 family violence shelters, over 300 family violence prevention projects on reserve that focused on intervention, culturally sensitive services (elder and traditional teachings), anger management and men's programming, and self-development projects (healthy parenting and financial skills). The Department also launched a call for proposals for off-reserve family violence prevention projects to be undertaken in 2016–2017.

INAC continued to strengthen co-ordination with key partners in the areas of Income Assistance and Child and Family Services programs. In particular, INAC continued to establish and reinforce co-ordination with provinces — notably with Saskatchewan and British Columbia — and the Yukon by clarifying roles and responsibilities, increasing information sharing, and improving compliance tools.

Finally, the Government of Canada has accepted the decision of the Canadian Human Rights Tribunal. The Department provided immediate relief through new investments announced in Budget 2016 to enable the provision of greater prevention services to children and families and establish stability for front-line services. INAC is also committed to working in partnership, and engaging regionally and nationally, on the full-scale reform of the First Nations Child and Family Services Program.

Priority 3: Supporting Stronger Indigenous Communities

Description: Canada's success begins with its strong communities. Investing in communities is not just about creating good jobs and economic growth, it is also about building communities that Indigenous peoples and Northerners are proud to call home. With investments in land, economic development, housing, and water and wastewater, the Government of Canada is making concrete progress in achieving this overarching objective. Moreover, the government recognizes that investments in sustainable infrastructure contribute to make communities greener, safer and more resilient. Canadians must be able to trust that the government will engage in appropriate regulatory oversight, including credible environmental assessments, and that it will respect the rights of those most affected, such as Indigenous communities.

Type: New

Key Supporting Initiatives

Mandate Letter Priorities	Start Date	End Date	Status	Link to Programs
Lift the two-percent funding cap on funding for First Nation programs[a]	March 2016	March 2016	Completed	All, except 4.1, 4.2, 4.3
Work to establish a new fiscal relationship that gives First Nation communities sufficient, predictable and sustained funding	Consultation Fall 2016	To be determined	On track	All, except 4.1, 4.2, 4.3
Work in collaboration with First Nations, Inuit and other stakeholders to improve housing outcomes as a part of ongoing efforts to improve essential infrastructure for Indigenous communities	April 1, 2016	To be determined	On track	3.4.1, 3.4.3 3.4.4
Work with First Nations and other stakeholders on establishing sustainable water and wastewater servicing to make communities safer and more resilient, with particular attention to eliminating long-term drinking water advisories	April 1, 2016	Sustainable water and wastewater facilities: March 2026 Eliminating long-term drinking water advisories: March 2021	On track	3.4.1
Contribute to environmental assessment legislation in consultation with Indigenous communities as a part of the ongoing enhancement of on-reserve lands and environmental management policies, processes and systems	October 2015	June 2019	On track	3.2.1 3.3 4.3
Work with Employment and Social Development Canada and Innovation, Science and Economic Development Canada to promote economic development and create jobs for Indigenous peoples	November 2015	Ongoing	On track	1.1.2, 3.1 3.2.1, 3.2.2, 3.3

[a] With historic investments in Indigenous peoples, Budget 2016 took into consideration the needs of many programs such as Child Family Services, Education and Infrastructure, which is well in excess of what would have been provided from the two-percent cap. The Department is collaborating with First Nations to renew the fiscal relationship and to ensure that future funding is sufficient, predictable and sustainable across all programs.

Planned Initiatives (2015–16 RPP)	Start Date	End Date	Status	Link to Programs
Facilitate business and community readiness for Indigenous participation in major projects, such as natural resource development, infrastructure and other procurement opportunities, through collaboration with government and non-governmental partners	Ongoing	Ongoing	On track	3.1.2 3.2.1 3.2.2
Focus the Strategic Partnerships Initiative on supporting community readiness so communities are better prepared to engage with industry partners	Ongoing	Ongoing	On track	3.3
Enhance access to capital for public and commercial financing by implementing an initiative to attract private and commercial capital, and leverage Government of Canada funding for Aboriginal Financial Institutions that support Indigenous entrepreneurs	Ongoing	Ongoing	On track	3.1.1
Increase access to financing for First Nation governments through the *First Nations Fiscal Management Act*	Ongoing	Ongoing	On track	1.1.2
Implement the modernized *Indian Oil and Gas Act*, regulations and systems to attract further investment on reserve lands	May 2009	January 2017	On track	3.2.3
Modernize key land and environmental policies, processes and tools to address gaps in the effective execution of land and environmental management responsibilities, including by continuing to implement expansion of the First Nations Land Management Regime	April 1, 2015	Ongoing	On track	3.2.1
Strengthen income support services and preparedness to improve the employment readiness of community members through Enhanced Service Delivery	June 2013	March 31, 2017	On track	2.2.1
Continue to implement the Post-Secondary Partnerships Program, which will help prepare First Nation and Inuit students to join the labour market and be successful in the 21st century economy	January 2016	Ongoing	On track	2.1.2
Support capable and accountable First Nation governments through the implementation of the *First Nations Elections Act*, to provide First Nations with an improved legislative alternative, and encourage them to consider opting in	April 2015	Ongoing	Ongoing	1.1.1
Implement program reforms to better co-ordinate land use planning, infrastructure and emergency planning, to address barriers to governance capacity development and to strengthen First Nation emergency management capacity	Ongoing	Ongoing	Ongoing	3.4.6
Continue to support the health and well-being of First Nation communities by working with First Nations and other stakeholders, under the provisions of the *Safe Drinking Water for First Nations Act*, to develop regulations for water and wastewater	July 2014	To be determined	Delayed	3.4.1
Work towards enhanced control by First Nations and/or First Nation legal entities over water and wastewater infrastructure	September 2009	To be determined	On track	3.4.1
Improve and standardize transfer payment management practices for First Nations and other recipients, implementing initiatives to improve accountability and oversight within the Government of Canada and the Department, such as joint collaborative work with Health Canada to improve the management of transfer payments	Ongoing	Ongoing	On track	5.1
Simplify reporting for First Nations by introducing an online portal where all reporting may be completed by recipients	Ongoing	Ongoing	On track	All, except 4.1 4.2 4.3
Invest in developing First Nation data governance capacity by supporting First Nation-developed skills, tools, methods and technological processes that facilitate comprehensive community planning, quality management, reporting and increased accountability	Ongoing	Ongoing	On track	1.1 2.2 5.1

Progress Toward the Priority

In Budget 2016 the government made a significant step towards ensuring sufficient, predictable and sustainable funding for First Nation communities by lifting the two-percent funding cap for First Nation programs. By 2020–2021, total funding for Indigenous programs will be 22 percent above the level of funding that would have been provided under the previous two-percent funding cap. The government will engage in consultations with Indigenous peoples over the coming year to determine a new long-term fiscal relationship.

Budget 2016 also committed historic investments for the Department totalling $3.9 billion to support infrastructure and capacity development in First Nation communities, including the following:

- $1.8 billion over five years for investments in water and wastewater;
- $416.6 million over two years for investments in housing on reserve; and
- $969.4 million over five years for investments in education facilities.

In April 2016, work began towards improving essential physical infrastructure for Indigenous communities, including improving housing outcomes for Indigenous peoples, by consulting and engaging with First Nations, Inuit, and other stakeholders to deliver Budget 2016 funding. INAC is collaborating with the department of Infrastructure and Communities, and Canada Mortgage and Housing Corporation on the delivery of this commitment. Canada Mortgage and Housing Corporation is supporting INAC in working with First Nation communities to develop an effective, long-term sustainable approach to improving housing outcomes on reserve. INAC also held preliminary meetings with Aboriginal Representative Organizations in Saskatchewan, Manitoba and Atlantic Canada and stakeholders in Ontario to discuss issues related to the potential options for reviewing the *Safe Drinking Water for First Nations Act*.[xxiv]

Through Budget 2016, the Department also secured $409 million over five years to improve how garbage and waste is managed on reserve and an additional $43 million over two years to accelerate the remediation of contaminated sites, funding for which was approved in Budget 2015 in an amount of $779 million (to 2020). The Department was also accessing Budget 2015 funding of $28 million over five years to support expansion of the First Nations Land Management Regime[xxv] by 25 First Nations. INAC finalized the Additions to Reserve Policy Directive,[xxvi] to be implemented in 2016–2017, as well as the development of the Strategic Land Use Planning Initiative supporting enhancements to land use, survey and capacity building in land management activities, to be launched in early 2016–2017.

To expand employment opportunities for young Canadians, Budget 2016 provided an additional $165.4 million for the Youth Employment Strategy, $38.2 million of which will be delivered through the Skills Link Program[xxvii] of INAC's First Nations and Inuit Youth Employment Strategy[xxviii] to benefit First Nation and Inuit youth directly. INAC also launched the Post-Secondary Partnerships Program[xxix] call for proposals on January 16, 2016 with a deadline of March 2, 2016, and 211 proposals were received. The Department also strengthened income support services and preparedness to improve the employment readiness of community members through Enhanced Service Delivery.[xxx] As of December 31, 2015, more than 2,000 additional clients were case managed for 2015–2016 instead of simply receiving income assistance payments.

To enable Indigenous communities to participate in major economic development opportunities, INAC facilitated the creation of successful conditions (i.e. investments in strategic planning, commercial infrastructure, procurement, enabling regulatory regimes on reserve, and lands and economic development capacity) in Indigenous communities. In 2015–2016, 15 initiatives were supported, including the Ring of Fire in Northern Ontario, the Labrador Trough in Quebec, biomass projects in the North, and shipbuilding in Atlantic Canada. Through implementation of the *First Nations Commercial and Industrial Development Act*,[xxxi] INAC signed a Tripartite Agreement in

January 2016 with the Muskowekwan First Nation and the Province of Saskatchewan to develop a regulatory regime to support the First Nation's Potash Mine project.

To support economic development for the Métis, Budget 2016 also announced $25 million over five years, beginning in 2016–2017. This new investment is in direct response to the 2015 Métis Economic Development Accord signed by Canada and the Métis National Council to work together to support Métis economic development projects. To that end, the government, in collaboration with Métis partners, will focus efforts in four priority areas: business development, participation in major economic and resource development projects, labour force development, and institutional capacity building.

In 2015–2016, meetings between INAC and Employment and Social Development Canada (ESDC) were held to discuss mandate commitments and a working group was established with Innovation, Science and Economic Development (including the regional development agencies), INAC and ESDC to identify opportunities for collaboration. In addition to the identification of horizontal opportunities, the Department is making progress in advancing key commitments/initiatives in areas related to improved access to capital and community, business and skills development to further enhance the conditions under which economic development and job creation can occur.

Enhanced access to capital for public and commercial financing remained a priority. As such, INAC transferred the administration and delivery of the Aboriginal Entrepreneurship Program to the National Aboriginal Capital Corporations Association to increase efficiency, optimize the leveraging of capital, and increase Indigenous control of capital by Indigenous businesses.

INAC also increased the access to financing for First Nation governments through the *First Nations Fiscal Management Act*.[xxxii] Collaborative work between INAC and the First Nations Finance Authority[xxxiii] resulted in the issuance of a $90-million bond on the capital market by the First Nations Finance Authority, and amendments to the *First Nations Fiscal Management Act* and regulations. First Nations now have easier access to the legislative and institutional framework enabling them to exercise jurisdiction over fiscal matters, including financial management, local revenue generation, and financing of infrastructure and economic development. In addition, Budget 2016 provided the First Nations Finance Authority with a $20-million investment over two years starting in 2016–2017, to strengthen its capital base and allow it to continue to secure the best possible credit rating for its borrowing members.

In 2015–2016, implementation of the modernized *Indian Oil and Gas Act*,[xxxiv] regulations and systems was advanced to attract further investment on reserve lands by presenting the third consultation draft to First Nations during Alberta and Saskatchewan symposiums. The draft regulations were also published in the First Nations Gazette and provided directly to First Nation communities.

With respect to governance and capacity, in 2015–2016 the Department promoted the *First Nations Elections Act*[xxxv] as a strong electoral option that will increase governance stability and capacity in those First Nations that opt in. In 2015–2016, 15 First Nations opted in to the *First Nations Elections Act*. Furthermore, to enhance the capacity of Indigenous groups to consult, engage and participate in reviewing and monitoring major resource development projects, INAC collaborated with Natural Resources, Environment and Climate Change, Fisheries and Oceans and the Canadian Coast Guard to plan reviews aimed at ensuring that environmental assessment legislation will allow for greater involvement of Indigenous groups. In an initial effort, advice and guidance were provided for the January 2016 announcement of an interim strategy and guiding principles for decision making on major resource development projects currently in the review process (Trans Mountain Oil Pipeline Expansion and Energy East project).

With respect to the improvement and standardization of transfer payment management practices, INAC's Grants and Contributions Information Management System was fully adopted by Health

Canada and by the Public Health Agency of Canada. INAC's General Assessment of recipients was also adopted and joint recipient audits are conducted. INAC has improved its funding model agreements through advancements to align the language in the agreements and by addressing comments received from the First Nations over the last two years. A Canada Common Funding Agreement Model[xxxvi] is available to First Nations as an option for a single window to funding.

As part of the Minister's commitment to simplify reporting for First Nations, the Department has introduced a Simplified Reporting Initiative, whereby First Nation communities can complete reporting requirements through a single window online. The Department will work with First Nations on improvements to the Simplified Reporting Initiative and will provide ongoing support and training to those First Nations which choose this reporting approach.

Finally, in looking at innovative ways to improve First Nation data governance, INAC provided funding to the tripartite British Columbia First Nations' Data Governance Initiative. This First Nation-driven initiative presents a new approach to data governance, giving First Nations more decision-making powers while at the same time ensuring INAC receives the required data for managing its programs.

Priority 4: Improving the Quality of Life for Métis Individuals and Communities

Description: Adopting a government-to-government approach to working with the Métis, based on co-operation, respect for rights and our international obligations, is essential to renewing the relationship while advancing reconciliation.

Type: New

Key Supporting Initiatives

Mandate Letter Priorities	Start Date	End Date	Status	Link to Programs
Work with Métis peoples, provincial and territorial governments, other Aboriginal organizations and interested parties to map out a process for dialogue on section 35 Métis rights	December 2015	To be determined	On track	1.2.1

Progress Toward the Priority

As part of the government's commitment to a whole-of-government, distinction-based approach to relationships with Indigenous peoples, on December 16, 2015, the Prime Minister committed to the five National Aboriginal Organizations (Assembly of First Nations; Inuit Tapiriit Kanatami; Métis National Council; Indigenous Peoples' Assembly of Canada; and the Native Women's Association of Canada) that he would meet with them annually in order to sustain and advance progress on shared priorities. These meetings are demonstrating a substantive and significant change in how the Government of Canada is working together with Indigenous peoples. INAC's Minister committed to working and meeting regularly with all five National Aboriginal Organizations.

In December 2015, Canada committed to enter into discussions with the Manitoba Metis Federation to explore the possibility of achieving a framework agreement on reconciliation. Prior to this, Canada had provided the Manitoba Metis Federation with project-based funding to advance possible reconciliation options in response to the 2013 Supreme Court decision *Manitoba Metis Federation v. Canada* 2013 SCC 14.[xxxvii] A memorandum of understanding to advance reconciliation was signed on May 27, 2016, and the parties are now working toward a framework agreement. The next step will be to seek formal approval of a framework agreement, which negotiators initialed on September 24, 2016.

Canada has also commenced exploratory discussions with the Métis Nation of Ontario and the Métis Nation of Alberta. These exploratory discussions, together with the negotiations with the Manitoba Metis Federation, will advance reconciliation with the Métis Nation.

Over the course of 2015–2016, Thomas Isaac, Ministerial Special Representative on Reconciliation with Métis: Section 35 Métis Rights and the Manitoba Metis Federation Decision, led an engagement with Métis governments and organizations, provincial and territorial governments and other interested parties, and made recommendations for the development of a section 35 Métis rights framework as well as other initiatives to advance reconciliation with the Métis. INAC is committed to advancing a government-to-government relationship with the Métis Nation by working in partnership with the Métis National Council, its Governing Members, and the Métis Settlements General Council, on how the recommendations made in Mr. Isaac's report can be implemented. INAC released the report by Mr. Isaac in July 2016.

Priority 5: Fostering a Strong, Inclusive and Vibrant North

Description: Canada's North is a vast and beautiful part of the world, home to a rich culture and tremendous economic potential. The North is also a region in transition; climate change is driving international interest and economic opportunity, leading to a rapid transformation of traditional northern lifestyles. The pace of change, combined with the remoteness of many northern communities, contributes to a high cost of living, food insecurity and other significant environmental and socio-economic challenges.

Type: New

Key Supporting Initiatives

Mandate Letter Priorities	Start Date	End Date	Status	Link to Programs
Enhance Northerners' food choices by supporting access to market foods in isolated northern communities through Nutrition North Canada (NNC), including working with Health Canada to update and expand the NNC program, in consultation with Northern communities, and by supporting informed decision making with respect to contaminants in traditionally harvested foods through the Northern Contaminants Program	NNC: May 2010 (Update: May 30, 2016; Expansion: October 1, 2016) Northern Contaminants Program: 1991	NNC: Ongoing Northern Contaminants Program: Ongoing	On track	4.1.2 4.2.1

Planned Initiatives (2015–16 RPP)	Start Date	End Date	Status	Link to Programs
Continue the construction of the Canadian High Arctic Research Station (CHARS) and the implementation of its Science and Technology programming, and advance proposals for the future governance of CHARS	August 2014	July 2017	On track	4.2.2
Implement changes to northern regulatory regimes in order to ensure that strong and effective regimes are in place to support and enhance the North's resource economy and devolution to territorial governments	Previously ongoing	Ongoing	On track	4.3.1 4.3.3
Continue to advance sound management of land, water and environmental resources and the remediation of contaminated sites in the North for the benefit of Northerners and Canadians	Previously ongoing	Ongoing	On track	4.3.1 4.3.2 4.3.3
Support affordable access to perishable, nutritious foods in isolated northern communities through Nutrition North Canada	May 2010	Ongoing	On track	4.1.2
Negotiate an agreement-in-principle on the devolution of land and resource management responsibilities to the Government of Nunavut	October 2014	March 2017	On track	4.1.1

Progress Toward the Priority

In 2015–2016, INAC continued to contribute to food security in the North by supporting access to perishable, nutritious foods in Canada's isolated northern communities and continuing to address the safety of traditional/country foods through support for research, monitoring and public outreach activities related to contaminants from long-range sources. The Department provided information on Nutrition North Canada[xxxviii] to the public by posting compliance reviews, shipping data and price reports on the program website, and engaged northern communities through social media and the program's Advisory Board. On January 9, 2016, the Minister of Indigenous and Northern Affairs met with Northerners and stakeholders in Norman Wells, Northwest Territories. The community engagement session was the first in a series of meetings that will gather ideas on how to ensure the program meets the needs of those it supports.

Progress was also made on the construction of the Canadian High Arctic Research Station (CHARS).[xxxix] With the transfer of the Science and Technology Program to Polar Knowledge Canada (POLAR) on June 1, 2015, the Department ensured that construction activities on the CHARS campus remained on schedule. In September 2015, the foundation for the Main Research Building was completed, followed by the completion of two triplex accommodation buildings in November 2015 and the exterior of the Field and Maintenance Building in January 2016.

The Department completed amendments to the *Yukon and Nunavut Regulatory Improvement Act* (Bill S-6),[xl] which received Royal Assent in June 2015, amended the *Nunavut Waters and Nunavut Surface Rights Tribunal Act,*[xli] and completed updates to the *Mackenzie Valley Land Use Regulations*[xlii] and the *Northwest Territories Water Regulations.*[xliii] In response to concerns from Indigenous groups in the Yukon and Northwest Territories regarding environmental assessment legislation, the Department began work to amend these acts. In Yukon, Canada worked closely with First Nations and the territorial government. Significant progress was made in drafting proposed amendments to the *Yukon Environmental and Socio-economic Assessment Act,* and negotiations on a memorandum of understanding regarding repeal of four contentious provisions of the Act were completed. With respect to concerns in the Northwest Territories, the Department began work internally, with a view to launching formal consultations around proposed amendments to the *Mackenzie Valley Resource Management Act* in 2016–2017.

The Department also advanced the sound management of natural resources and the environment, including contaminated sites, in the North. INAC sustained its progress on the 92 sites currently managed within the Northern Contaminated Sites Program[xliv] portfolio and continued to address high risk elements at Giant Mine, including the stabilization of underground chambers and pits and removal of deteriorating infrastructure. Progress was also made on the draft report on the design of the diversion of the North Fork Rose Creek at the Faro Mine site.

Finally, INAC supported the Chief Federal Negotiator in making progress with the parties on the negotiation of an agreement-in-principle for the devolution of land and resource management responsibilities in Nunavut until the expiry of the federal mandate in October 2015.

For more information on organizational priorities, see the Minister's Mandate Letter.[xlv]

Section II

Expenditure Overview

Actual Expenditures

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs[a])		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
8,187,417,868	8,187,417,868	8,890,900,983	7,955,294,666	(232,123,202)	4,477	4,524	47

[a] FTEs are Full-Time Equivalents

Budgetary Performance Summary

Budgetary Performance Summary for Programs and Internal Services (dollars)

Programs and Internal Services	2015–2016 Main Estimates	2015–2016 Planned Spending	2016–2017 Planned Spending	2017–2018 Planned Spending	2015–2016 Total Authorities Available for Use	2015–2016 Actual Spending (Authorities used)	2014–2015 Actual Spending (Authorities used)	2013–2014 Actual Spending (Authorities used)
Governance and Institutions of Government	389,416,006	389,416,006	397,170,892	397,432,638	422,197,013	422,158,084	422,226,591	484,218,256
Rights and Interests of Indigenous Peoples[a]	868,880,226	868,880,226	487,447,240	1,013,387,295	850,452,288	176,996,399	173,531,547	485,123,423
Management and Implementation of Agreements and Treaties[b]	740,282,191	740,282,191	806,628,418	789,189,679	1,059,408,643	1,058,167,714	749,933,655	715,832,560
Education	1,779,502,873	1,779,502,873	1,855,472,918	1,889,866,503	1,805,232,412	1,805,134,484	1,788,854,310	1,775,804,549
Social Development	1,711,936,209	1,711,936,209	1,764,360,798	1,772,628,163	1,767,436,611	1,767,363,171	1,733,443,753	1,723,318,991
First Nations Individual Affairs[c]	25,732,113	25,732,113	28,911,620	28,914,831	29,687,786	29,564,330	28,426,563	33,836,437
Residential Schools Resolution	441,605,934	441,605,934	165,991,965	41,311,703	496,957,326	316,813,828	492,880,678	574,379,693
Indigenous Entrepreneurship[d]	42,637,318	42,637,318	42,636,070	42,636,070	40,642,245	40,562,630	43,027,380	n/a
Community Economic Development[e]	213,382,395	213,382,395	209,574,311	205,631,989	330,755,795	293,179,002	218,047,705	n/a
Strategic Partnerships	39,586,727	39,586,727	39,583,926	30,333,926	39,648,489	39,648,489	33,668,724	n/a
Infrastructure and Capacity[f]	1,252,453,270	1,252,453,270	1,212,699,364	1,232,715,390	1,299,754,223	1,294,213,707	1,266,710,553	1,038,948,588
Urban Indigenous Participation[g]	53,457,622	53,457,622	29,645,997	29,645,997	50,351,308	50,336,798	49,520,444	51,708,349
Indigenous Economic Development[h]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	224,607,972

Programs and Internal Services	2015–2016 Main Estimates	2015–2016 Planned Spending	2016–2017 Planned Spending	2017–2018 Planned Spending	2015–2016 Total Authorities Available for Use	2015–2016 Actual Spending (Authorities used)	2014–2015 Actual Spending (Authorities used)	2013–2014 Actual Spending (Authorities used)
Federal Administration of Reserve Land[i]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	133,423,081
Northern Governance and People	150,430,663	150,430,663	134,894,297	135,981,297	149,134,761	147,466,620	146,407,862	170,331,482
Northern Science and Technology	48,961,314	48,961,314	47,822,067	25,562,493	64,860,149	64,447,283	40,827,871	13,504,948
Northern Land, Resources and Environmental Management	195,493,907	195,493,907	58,614,753	31,967,498	191,506,907	180,587,234	212,493,747	238,498,638
Internal Services	233,659,100	233,659,100	224,097,504	221,928,102	292,875,027	268,654,893	291,651,755	375,954,708
Total	**8,187,417,868**	**8,187,417,868**	**7,505,552,140**	**7,[illegible]89,133,574**	**8,890,900,983**	**7,955,294,666**	**7,691,653,138**	**8,039,491,675**

[a] Previously entitled Co-operative Relationships (renamed Aboriginal Rights and Interests under the 2014–2015 PAA, and renamed Indigenous Rights and Interests in the 2015–16 DPR and the 2016–2017 PAA).

[b] Previously entitled Treaty Management (renamed under the 2014–2015 PAA).

[c] Previously entitled Managing Individual Affairs (renamed under the 2014–2015 PAA).

[d] Previously entitled Aboriginal Entrepreneurship (renamed in the 2015-16 DPR and 2016–2017 PAA).

[e] Previously entitled Community Development (established under the 2014–2015 PAA).

[f] Previously entitled Community Infrastructure (renamed under the 2014–2015 PAA).

[g] Previously entitled Urban Aboriginal Participation (renamed in the 2015-16 DPR and 2016–2017 PAA).

[h] Previously entitled Aboriginal Economic Development (renamed in the 2015–16 DPR). The program was restructured under the 2014–2015 PAA, with the funding realigned to the Indigenous Entrepreneurship, Community Development and Strategic Partnerships programs.

[i] The Federal Administration of Reserve Land program was restructured under the 2014–2015 PAA, with the funding realigned to the Community Development, and Infrastructure and Capacity programs.

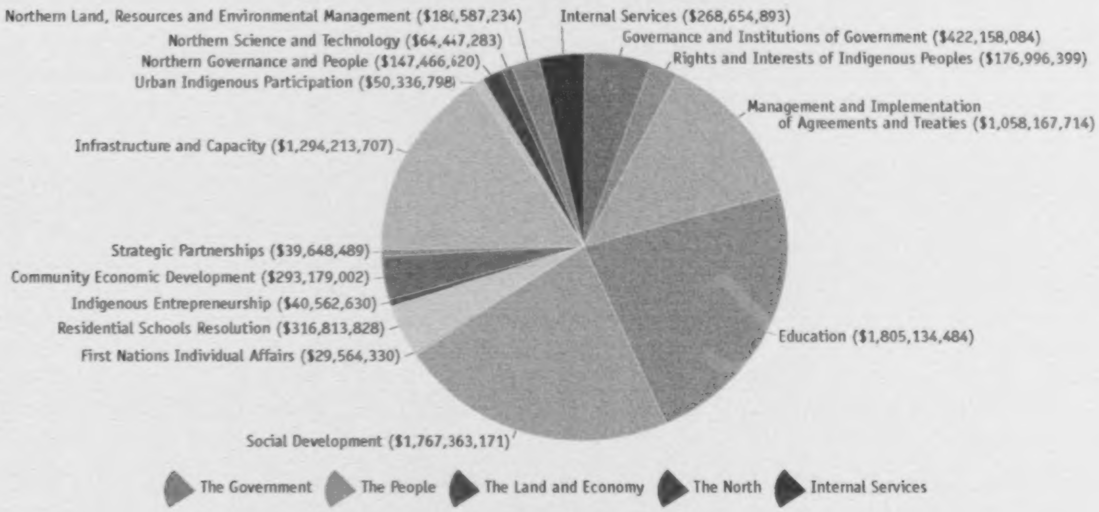
The $703 million increase between Planned Spending ($8,187 million) and Total Authorities Available for Use ($8,891 million) in 2015–2016 primarily reflects additional funding provided through Supplementary Estimates for: out-of-court settlements; the continued implementation of the Indian Residential Schools Settlement Agreement; the repair and construction of on-reserve schools; a comprehensive and sustainable approach to on-reserve emergency management and for on-reserve response and recovery activities; Operation Return Home; the First Nation Student Success Program and the Education Partnerships Program; and the implementation of comprehensive claims across Canada.

The $936 million difference between Total Authorities Available for Use ($8,891 million) and Actual Spending ($7,955 million) in 2015–2016 primarily reflects the deferred spending on specific claims settlements in 2015–2016, the deferral of Independent Assessment Process settlement payments and delivery funding for continued implementation of the Indian Residential Schools Settlement Agreement. Funding for these initiatives not required in 2015–2016 has been re-profiled to future years when it will be available for the intended purpose.

Additional details by program are provided in Section III and by sub-program in Section IV.

Departmental Spending Trend

2015–2016 Actual Spending by Program



For the period 2013–2014 to 2015–2016

INAC's Actual Spending for 2015–2016 was $8.0 billion, a net decrease of approximately $84 million over a three-year period from 2013–2014. The major items that have experienced decreases in spending include:

- specific claims settlements;
- implementation of the Indian Residential Schools Settlement Agreement;
- implementation of the savings identified as part of Budget 2012; and
- obligations under the Northwest Territories Lands and Resources and Devolution Agreement.

These decreases over the period from 2013–2014 to 2015–2016 are partially offset by the following major items that have experienced increases in spending:

- out-of-court settlements;
- ongoing First Nation and Inuit programs and services to keep pace with cost drivers such as inflation and population/demand growth;
- Budget 2014 and Budget 2015 for Strong Schools, Successful Student Initiatives and to support the construction and/or renovation of schools on reserve;
- reimbursement to First Nations and emergency management service providers for on-reserve response and recovery activities as well as for Operation Return Home: Manitoba Interlake Flood Remediation and Settlement; and
- the construction of the Canadian High Arctic Research Station and the implementation of the associated Science and Technology Program.

For the period 2015–2016 to 2018–2019

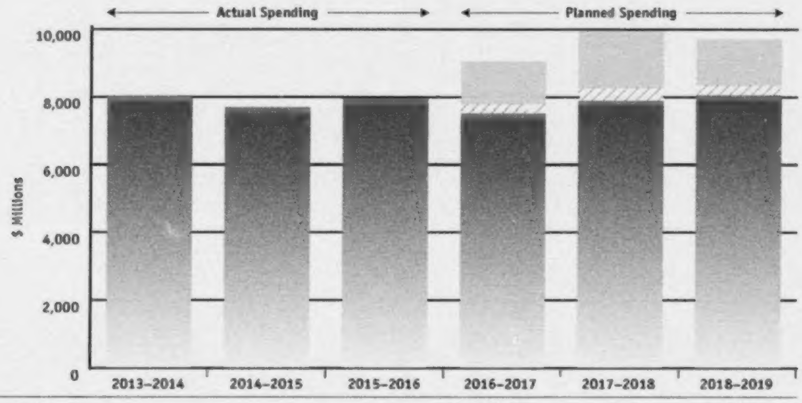
Spending is expected to increase by approximately $1.7 billion over the period from 2015–2016 ($8.0 billion) to 2018–2019 ($9.7 billion). The major items that will experience increases in spending include:

- as per Budget 2016, significant investments to improve the socio-economic conditions of Indigenous peoples and communities in the areas of education, infrastructure, training and other programs;
- acceleration of the resolution of specific claims; and
- ongoing First Nation and Inuit programs and services to keep pace with cost drivers such as inflation and population/demand growth.

These increases over the period from 2015–2016 to 2018–2019 are partially offset by the following major items that will experience decreases in spending:

- implementation of the Indian Residential Schools Settlement Agreement;
- out-of-court settlements;
- the on-reserve costs incurred by provincial/territorial or other emergency management organizations as required under the Emergency Management Assistance Program and Operation Return Home: Manitoba Interlake Flood Remediation and Settlement; and
- the construction of the Canadian High Arctic Research Station.

Decisions on the renewal of these sunset initiatives will be taken in future budgets and reflected in future Estimates.



	2013–2014	2014–2015	2015–2016	2016–2017	2017–2018	2018–2019
░ Budget 2016 Initiatives - Anticipated	—	—	—	1,267	1,697	1,360
▨ Sunset Programs - Anticipated	—	—	—	285	371	297
■ Statutory	186	191	148	153	150	141
▒ Voted	7,853	7,500	7,807	7,352	7,739	7,905
☐ Total	8,039	7,692	7,955	9,057	9,957	9,702

Due to rounding, figures may not add to totals shown.

Notes: The following Budget 2016 initiatives have been approved and the funding for 2016–2017 has been received for water, wastewater and waste management, affordable housing and social infrastructure projects, First Nations Infrastructure Fund, First Nations Enhanced Education Infrastructure Fund, Urban Aboriginal Strategy, and the acceleration of federal contaminated sites clean-up. Items that have been renewed, including funding for the Federal Contaminated Sites Action Plan, comprehensive land claims and incremental treaty and non-treaty agreements and the specific claims program ("Justice at Last") have also received funding for 2016–2017. Future-year funding for both the new Budget 2016 initiatives and the sunsetting items will be included in future Estimates (i.e. Supplementary and Main Estimates).

Expenditures by Vote

For information on Indigenous and Northern Affairs Canada's organizational voted and statutory expenditures, consult the *Public Accounts of Canada 2016*.[xlvi]

Alignment of Spending with the Whole-of-Government Framework

Alignment of 2015–2016 Actual Spending with the Whole-of-Government Framework[xlvii]

Program	Spending Area	Government of Canada Outcome	2015–2016 Actual Spending (dollars)
Governance and Institutions of Government	Social Affairs	A diverse society that promotes linguistic duality and social inclusion	422,158,084
Rights and Interests of Indigenous Peoples	Social Affairs		176,996,399
Management and Implementation of Agreements and Treaties	Economic Affairs	Strong economic growth	1,058,167,714
Education	Social Affairs	A diverse society that promotes linguistic duality and social inclusion	1,805,134,484
Social Development	Social Affairs		1,767,363,171
First Nations Individual Affairs	Social Affairs		29,564,330
Residential Schools Resolution	Social Affairs		316,813,828
Indigenous Entrepreneurship	Economic Affairs	Strong economic growth	40,562,630
Community Economic Development	Economic Affairs		293,179,002
Strategic Partnerships	Economic Affairs		39,648,489
Infrastructure and Capacity	Economic Affairs		1,294,213,707
Urban Indigenous Participation	Economic Affairs	Income security and employment for Canadians	50,336,798
Northern Governance and People	Social Affairs	Healthy Canadians	147,466,620
Northern Science and Technology	Economic Affairs	An innovative and knowledge-based economy	64,447,283
Northern Land, Resources and Environmental Management	Economic Affairs	A clean and healthy environment	180,587,234

Total Spending by Spending Area (dollars)

Spending Area	Total Planned Spending	Total Actual Spending
Economic Affairs	2,586,254,744	3,021,142,857
Social Affairs	5,367,504,024	4,665,496,916
International Affairs	n/a	n/a
Government Affairs	n/a	n/a

Note: For an explanation on the variance for each spending area, please refer to the corresponding program section

Financial Statements and Financial Statements Highlights

Financial Statements

Please refer to the Financial Statements[xlviii] on INAC's website for more information.

Financial Statements Highlights

Condensed Statement of Operations (unaudited)

For the year ended March 31, 2016 (dollars)

Financial Information	2015–2016 Planned Results	2015–2016 Actual	2014–2015 Actual	Difference (2015–2016 Actual minus 2015–2016 Planned)	Difference (2015–2016 Actual minus 2014–2015 Actual)
Total expenses	6,988,997,872	9,576,499,799	8,784,387,722	2,587,501,927	792,112,077
Total revenues	2,192,017	3,301,575	5,810,302	1,109,558	(2,508,727)
Net cost of operations before government funding and transfers	6,986,805,855	9,573,198,224	8,778,577,420	2,586,392,369	794,620,804

Please refer to the Future Oriented Statement of Operations[xlix] on INAC's website for more information.

Expenses by Type

Total expenses were $9,576 million in 2015–2016, representing a 9% increase from the previous year's expenses of $8,784 million. Transfer payments, the majority to Indigenous peoples and Indigenous organizations, amounted to $8,048 million or 84% of total expenses. Other significant expenses included salaries and employee future benefits totaling $469 million (5%) and court awards and other settlements totaling $552 million (6%).

Revenues by Type

Total revenues for 2015–2016 amounted to $3.3 million, representing a 43% decrease over the previous year's total revenues of $5.8 million. Respendable revenues from the provision of financial and administrative services represent $2.4 million (74%). Respendable revenues from the proceeds from the sale of surplus Crown assets, included in miscellaneous revenue, account for most of the remaining $0.9 million (26%).

Significant changes

The change in total expenses can be attributed mainly to an increase in the provision for claims and litigation of $913 million, as well as to an increase in Environmental Liabilities stemming from a new statistical model developed by the Office of the Comptroller General to estimate the liability for unassessed sites based on historical costs incurred for contaminated sites with similar functions.

The change in total revenues can be attributed mainly to a decrease in respendable revenues related to the proceeds from surplus Crown assets ($1.8 million) and in revenues from information technology services provided to Health Canada and the Public Health Agency of Canada ($0.6 million).

Condensed Statement of Financial Position (unaudited)

As of March 31, 2016 (dollars)

Financial Information	2015–2016	2014–2015	Difference (2015–2016 minus 2014–2015)
Total net liabilities	17,165,114,622	15,611,431,976	1,553,682,646
Total net financial assets	1,640,561,939	1,707,414,429	(66,852,490)
Departmental net debt	15,524,552,683	13,904,017,547	1,620,535,136
Total non-financial assets	176,503,356	132,654,313	43,849,043
Departmental net financial position	(15,348,049,326)	(13,771,363,234)	(1,576,686,092)

Liabilities by Type

Total net liabilities were $17,165 million at the end of 2015–2016, which is an increase of $1,554 million (10%) from the previous year's total net liabilities of $15,611 million. The provision for claims and litigation represents the largest portion of liabilities at $11,549 million (67%) of total liabilities. Other significant liabilities include environmental liabilities of $3,765 million (22%), trust accounts of $767 million (4%), accounts payable of $755 million (4%) and the liability for settled claims of $228 million (1%).

Net Financial Assets by Type

Total net financial assets were $1,641 million at the end of 2015–2016, which is a decrease of $67 million (4%) from the previous year's total net financial assets of $1,707 million. The assets due from the Consolidated Revenue Fund accounted for $1,556 million (95%) of total financial assets and accounts receivable accounted for the remaining $65 million (5%).

Non-Financial Assets by Type

Total non-financial assets were $177 million, which is an increase of $44 million (33%) from the previous year's total non-financial assets of $133 million. Tangible capital assets represent $138 million (78%) of total non-financial assets while land held for future claims settlements represents the remaining $39 million (22%).

Significant changes

The change in total liabilities can be attributed mainly to an increase in the provision for claims and litigation due to an increase in the number of claims and in the estimate of the settlement amounts. There was also an increase in environmental liabilities due to a change in the Consumer Price Index and to the statistical model used to estimate unassessed sites.

The change in total net financial assets can be attributed mainly to a decrease in monies held in trust for First Nations, which is offset by an increase in accounts receivable for royalties.

The change in total non-financial assets can be attributed mainly to an increase in work in progress costs incurred during the construction of the Canadian High Arctic Research Station as well as the capitalization of the upgrades and betterments associated with information technology systems.

Section III

Analysis of Programs and Internal Services

Strategic Outcome: The Government

Support good governance, rights and interests of Indigenous peoples

Program 1.1: Governance and Institutions of Government

Description

This Program provides support to First Nation governments, as well as Indigenous governance institutions and organizations through core and targeted programming. The intent of this support is to facilitate capacity development in the Indigenous public service, the elected leadership, and entities that administer aggregate services on behalf of or to First Nation governments and their communities. Transparent and accountable First Nation governments attract investment, create opportunities, and effectively support their citizens. Transparent and accountable institutions and organizations strengthen the fabric of Indigenous governments across Canada, assist Indigenous communities and their governments in attracting investment, and support Indigenous participation in the Canadian economy. Ultimately, good governance practices are essential for active Indigenous participation in Canadian society and the economy.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
389,416,006	389,416,006	422,197,013	422,158,084	32,742,078	420	407	(13)

The difference between Planned Spending and Actual Spending primarily reflects additional funding reallocated during the 2015–2016 fiscal year for Indian Government Support activities to meet demand for Indigenous Governance Institutions and Organizations services.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Transparent and accountable First Nation governments and institutions.	Percentage of First Nations with their Audited Consolidated Financial Statements and Schedule of Remuneration and Expenses available to their community members.[a]	100% by September 30, 2016	97%
	Percentage of First Nations free of default.[b]	75% by March 31, 2016	74%

[a] Available to their community is defined as publicly available on the Internet within 120 days of the end of the financial year.
[b] Default as defined by the Department's Default Prevention Management Policy.

Performance Analysis and Lessons Learned

In 2015–2016, continued support was provided to facilitate capacity development through core and targeted programming to First Nation communities and organizations. INAC allocated $3 million in contribution funding for 150 First Nations under the Default Prevention and Management Policy to assist in implementing governance capacity activities identified in their management action plans. An additional $385,000 was allocated to allow key INAC regional staff to travel to those First Nations for community planning processes. As a result, 67 communities were assisted through 77 separate projects largely concentrating investments in developing basic functions of government. Capacity building activities are long-term community investments. On average, the 44 First Nations that took part in the Default Prevention Management Policy pilot in 2014–2015 reduced their General Assessment scores by 3.89 points between 2013 and 2016; in contrast, all First Nations saw their General Assessment scores decrease by only 1.16 points. General Assessment considers a number of risk factors in First Nation recipients, including governance, planning, and financial and program management. Recipients are assigned a risk level ("low", "medium" or "high"). A lower score indicates reduced risk. The Department continued to build strategic partnerships to support investments in Indigenous community planning and capacity development by developing a draft National Community Development Strategy in collaboration with external stakeholders.

As it pertains to the continued implementation of the *Family Homes on Reserves and Matrimonial Interests or Rights Act,* 11 First Nations have ratified their own Matrimonial Real Property laws and 34 First Nations have ratified Matrimonial Real Property laws as a component of their Land Codes in 2015–2016. The Act ensures that people living on reserves have similar legal protections and rights as other Canadians in the event of a breakdown of a marriage or common-law relationship, or upon the death of a spouse or common-law partner.

INAC also delivered on the statutory responsibilities of the Minister relating to First Nation elections under the *Indian Act* and the *First Nations Election Act* through the continued promotion of the latter Act as a strong electoral option. In 2015–2016, 15 First Nations opted into the *First Nations Election Act* legislative framework. The Department also provided advisory services on First Nation by-laws and other governance matters and explored opportunities for legislative initiatives to modernize First Nation governance frameworks.

Finally, INAC continued research and analysis on Indian registration, band membership and citizenship — including exploratory discussions with Kahnawake — in accordance with its support and promotion of good governance practices.

Program 1.2: Rights and Interests of Indigenous Peoples

Description

This Program seeks to strengthen collaboration between governments and Indigenous groups through mutual respect, trust, understanding, shared responsibilities, accountability, dialogue and negotiation concerning the rights and interests of Indigenous peoples. Partnerships will be established helping to contribute to the strengthening of the social, economic and cultural well-being of Indigenous communities, which conditions support more active participation in Canadian society. The Program also addresses constitutional and historic obligations and public policy by: negotiating agreements that achieve clarity with respect to law-making authority and the ownership, use and control of lands and resources; addressing specific claims; dealing with special claims; developing multi-partner processes in areas identified by Indigenous groups and the federal government; and supporting effective and meaningful consultation with Indigenous groups and their representation in federal policy and program development.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	**Planned Spending**	**Total Authorities Available for Use**	**Actual Spending (Authorities used)**	**Difference (Actual minus Planned)**	**Planned**	**Actual**	**Difference (Actual minus Planned)**
868,880,226	868,880,226	850,452,288	176,996,399	(691,883,827)	365	364	(1)

The difference between Planned Spending and Actual Spending primarily reflects re-profiling of the specific claims settlement funds that are not required in the current fiscal year. Specific claims settlement funding cannot be used for any purpose other than for settling specific claims but can be re-profiled to future years to be available for the intended purpose. In addition, the difference reflects incremental funding provided through Supplementary Estimates for the pro-active reconciliation and management of Métis Aboriginal Rights, partially offset by funding reallocations to other departmental priorities.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Strengthened collaboration between governments and Indigenous groups.	Number of policies and processes in place supporting strengthened collaboration between governments and Indigenous groups.	12 by March 31, 2016	15

Performance Analysis and Lessons Learned

INAC continued to address section 35 rights (*Constitution Act, 1982*) and promote economic self-sufficiency for Indigenous communities, as well as economic growth for all Canadians, through the negotiation of comprehensive land claims and self-government agreements, incremental treaty agreements, non-treaty agreements, and other processes. Comprehensive land claims agreements provide greater legal certainty with respect to the use and ownership of lands and resources and the reduction of barriers that impede development. Negotiated agreements provide Indigenous groups with opportunities to improve accountability and governance in key areas such as education, allowing meaningful changes in their communities and improving their quality of life.

The Department also put in place 15 policies and processes supporting strengthened collaboration between governments and Indigenous groups, including for example, negotiation of comprehensive land claims and self-government agreements including special claims and other processes, a Five Year Review of the *Specific Claims Tribunal Act*, a Federal–Provincial–Territorial Working Group on Aboriginal Consultation, and an Interlocutor's Contribution Program Funding Process.

On April 29, 2015, a settlement agreement on the Listuguj Mi'gmaq Government out-of-court settlement was successfully concluded and signed. On April 14, 2016, Canada and the Chippewas of Kettle and Stony Point First Nation marked the signing of a final settlement at a special ceremony. These settlements represent a new beginning for communities in their journey toward healing, renewal and reconciliation.

Negotiation achievements from 2015–2016 include the conclusion of a final settlement agreement on the Camp Ipperwash special claim with the Chippewas of Kettle and Stony Point First Nation. This agreement includes a financial settlement of $95 million and sets out a clear process for remediating the former Camp Ipperwash lands and returning them safely to the First Nation. A settlement agreement on the Listuguj Mi'gmaq Government out-of-court settlement was also concluded and signed on April 29, 2015. This agreement includes a financial settlement of $64.5 million and discontinued *Listuguj* litigation. The Tla'amin final agreement came into effect on April 5, 2016, making it the third modern-day treaty finalized under the British Columbia treaty process.

The negotiation of the Anishinabek Nation Education Agreement, including the fiscal transfer agreement and the implementation plan, was also successfully completed. Thirty-two of 39 First Nations have expressed their intention to hold a ratification vote slated for November 28 to December 2, 2016. If approved by the parties, this will be the largest education self-government agreement in Canada.

Furthermore, Canada firmly committed on March 20, 2015 to advance claim negotiations with Lubicon Lake Band and the Government of Alberta, with the appointment of Ralph Peterson as Chief Federal Negotiator. The parties continue to make good progress in their negotiations.

Other achievements to be noted include successful ratification of the Deline Self-Government Agreement; signing of agreements-in-principle with Te'mexw Treaty Association, Wuikinuxv, Kitselas & Kitsumkalum, Inuvialuit, and Northwest Territories Métis nation; and signing of one Transboundary Framework Agreement with Nacho Nyak Dun.

In addition, the Department pursued its work on a number of initiatives related to section 35 rights (*Constitution Act, 1982*), such as putting in place measures to increase efficiency and improving Canada's internal mandating and approval process for treaty and self-government negotiation processes; substantially completing the impact assessment of Indigenous self-government arrangements to assess the socio-economic outcomes and benefits of Indigenous self-government; addressing Canada's consultation and accommodation obligations with regard to overlapping claims; and considering recommendations emerging from the *Renewing the Comprehensive Land Claims Policy* report prepared by Mr. Douglas Eyford, Ministerial Special Representative.

On May 29, 2015 the principals to the British Columbia treaty negotiations process (the Minister of INAC, Minister Rustad for British Columbia, and the First Nations Summit Task Group) initiated a multilateral engagement process to jointly develop proposals to improve and expedite British Columbia treaty negotiations. The engagement concluded in March 2016 with a joint report titled *Multilateral Engagement Report to Improve and Expedite British Columbia Treaty Negotiations,* for which joint endorsement by the principals was to be sought.

INAC also continues to address historic grievances through the Specific Claims Policy and the Specific Claims Tribunal. Specific claims refer to claims made by a First Nation against the federal government that relate to the administration of land and other First Nation assets and to the fulfillment of pre-1975 treaties. All Canadians benefit from the resolution of specific claims, and the resolution of claims outside of the court process is in the best interest of all Canadians. Negotiated settlements are about justice, respect and reconciliation. They are not only about coming to terms with the past and respect for treaties but also about moving forward together to realize a better shared future.

INAC conducted a review of the *Specific Claims Tribunal Act* in which a Minister's Special Representative engaged with First Nations and other interested parties. Though the work of the Minister's Special Representative in conducting the review was completed within the required time frame, the tabling of the Minister's report in both Houses of Parliament was delayed as a result of the election.

The Union of British Columbia Indian Chiefs in its "open letter" to the Minister entitled "In Bad Faith: Justice at Last and Canada's Failure to Resolve Specific Claims" and the Assembly of First Nations in its report entitled "Specific Claims Review: Expert Based — Peoples Driven" have articulated a number of concerns focused principally on the availability of resources and the perception that the Government of Canada is too rigid in its approach to the assessment and negotiation of specific claims. Discussions have begun with the Assembly of First Nations to engage a process in which issues can be identified and constructive responses can be developed.

The Department also continued to provide support to internal and external stakeholders to maintain collaboration with Indigenous groups and their representatives. In 2015–2016, $21.5 million was provided to 46 Aboriginal Representative Organizations through the Basic Organizational Capacity Program. In addition, program activities include efforts to assist federal departments/agencies in fulfilling the Crown's duty to consult, among them training, policy guidance, and advice, tools, and best practices to support information sharing and relationship building through various agreements, such as consultation protocols with Indigenous groups and provinces and territories.

As part of the government´s commitment to a whole-of-government, distinction-based approach to relationships with Indigenous peoples, on December 16, 2015, the Prime Minister committed to the five National Aboriginal Organizations (Assembly of First Nations; Inuit Tapiriit Kanatami; Métis National Council; Indigenous Peoples' Assembly of Canada; and the Native Women's Association of Canada) that he would meet with them annually in order to sustain and advance progress on shared priorities. These meetings are demonstrating a substantive and significant change in how the Government of Canada is working together with Indigenous peoples. INAC's Minister committed to working and meeting regularly with all five National Aboriginal Organizations. The first meeting took place in December 2015.

An evaluation of the Consultation and Accommodation Program carried out in 2015–2016 demonstrated that it supports a whole-of-government approach to Indigenous consultation and accommodation and the alignment with government priorities and roles and responsibilities in the development of the natural resources sector. For example, by providing advice and information related to consultations, federal officials are better prepared to foster relationships with Indigenous groups, thereby supporting departmental engagements and consultations.

An audit of the Métis and Non-Status Indian Relations and Métis Rights Management Program was also carried out in 2015–2016. It found that the Department has established formal processes that are being consistently followed to ensure due diligence is conducted prior to the finalization of funding agreements for Métis registration systems, and ongoing monitoring to assess compliance with the terms and conditions of the agreements. However, while some monitoring is being performed, the audit has identified an opportunity for the Department to work with its partners and stakeholders to establish long-term vision/objectives, appropriate departmental governance, and measurable outcomes for funding disbursed for the Métis registration system. In response, INAC has developed a management action plan to address these issues.

Program 1.3: Management and Implementation of Agreements and Treaties

Description

This Program aims to create and maintain ongoing partnerships to support both pre- and post-1975 treaties to fulfill Canada's legal obligations while considering the rights and interests of Indigenous peoples. This Program supports Indigenous communities in articulating their interests, participating in economic activities, and managing and developing land and resources, where applicable. It also helps to demonstrate the importance of treaties and related partnerships between the Crown and Indigenous peoples. This is achieved by honouring Canada's obligations as set out in final settlement agreements, and by improving collaboration between Canada and Indigenous peoples, and between Canada and pre- and post-1975 treaty Indigenous groups. Creating and maintaining partnerships that honour pre- and post-1975 treaties contributes to strengthened, healthy, self-reliant and sustainable Indigenous communities while promoting delivery of programs and services vital to the health and advancement of Indigenous citizens.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	**Planned Spending**	**Total Authorities Available for Use**	**Actual Spending (Authorities used)**	**Difference (Actual minus Planned)**	**Planned**	**Actual**	**Difference (Actual minus Planned)**
740,282,191	740,282,191	1,059,408,643	1,058,167,714	317,885,523	80	80	0

The difference between Planned Spending and Actual Spending primarily reflects incremental funding provided through Supplementary Estimates for out-of-court settlements and the implementation of comprehensive claims, as well as additional funding reallocated internally for education under the James Bay and Northern Quebec Agreement.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Creation and maintenance of ongoing partnerships to support treaty structures.	Number of meetings held with treaty partners to maintain and support implementing structures, such as implementation committees and treaty commissions.	28[a] by March 31, 2016	Eastern Regions: total of 27 meetings (of which six were tripartite implementation negotiation meetings). Western Regions: total of 16 in British Columbia (two of which were tripartite finance committee meetings). Northwest Territories: total of 20.
	Percentage of objectives reached, as identified in the negotiations action plans for treaty commissions and pre-1975 treaty tables.	75% by March 31, 2016	90%

[a] Source: Treaty Obligation Monitoring System and treaties.

Performance Analysis and Lessons Learned

In 2015–2016, INAC continued to create and maintain ongoing partnerships and structures with the signatories to modern treaties and other partners. Good progress was made on the negotiation of implementation plans and fiscal financing agreements in all regions, and the Department got a head start on renewing some of the implementation plans due to expire in the next year or two. Of special significance, negotiations with Nunavut were concluded resulting in the signing of a settlement agreement and ending a lawsuit filed against Canada for alleged breach of treaty obligations. Other achievements include the finalization and publication of annual reports and resolving or advancing the resolution of outstanding implementation issues under existing agreements, such as the review of several environmental assessments, all of which led to impact benefits agreements between the Nisga'a Nation and proponents.

As part of the departmental information management process, work began on the development of version 2 of the Treaty Obligation Management System (TOMS V2), which will give federal officials across government the ability to manage the fulfillment of their modern treaty obligations using a more qualitative approach. In addition, validation of TOMS V1 obligations, with over 35 departments and agencies, continued to ensure the accuracy of the data before migrating them to TOMS V2.

With respect to modern treaties in 2015, a new whole-of-government approach to modern treaty implementation was implemented. This new approach was developed to bridge gaps in how Canada manages its modern treaty obligations across the federal government through enhanced accountability, oversight and awareness. As part of the whole-of-government approach, a Deputy Minister-level oversight committee was established in September 2015. The approach also includes the establishment of the Modern Treaty Implementation Office, the development of tools, resources and guidance, as well as the provision of ongoing training.

An evaluation of the impacts of self-government agreements (SGA) carried out in 2015–2016 found positive effects for Indigenous persons in several regards, including income, labour force attachment, and household crowding. Of note, it is also observed that the Community Well-Being Index and all its component indices rise when a self-government agreement is in place.

Additionally, the evaluation found challenges associated with establishing governance. These included the lack of administrative capacity to effectively manage all new responsibilities under self-government and the need for greater collaboration among agreement partners to strengthen the approach to implementation. As indicated in the Management Response and Action Plan, INAC is actively moving forward to address the challenges identified.

With respect to pre-1975 treaties, parties are exploring approaches to support treaty implementation and reconciliation through existing treaty tables and commissions, namely to research the First Nations' perspective of the treaty relationship, and to further reconciliation between Indigenous and non-Indigenous people by continuing to initiate and participating in local, regional and national reconciliation activities.

As for pre-1975 treaties, Canada's action plans focus on enhancing the relationships between Canada and Indigenous peoples based on respect, co-operation and partnership. This was achieved by engagement with the Treaty First Nation partners through treaty discussion tables and treaty commissions, to gain a better understanding on their interests, perspectives, and issues with respect to their historic treaties. These views were shared within INAC and with other federal departments as appropriate to ensure their voices were heard in support of their overall objective towards self-sufficiency. This included gathering information and research on the nature of treaties, understanding treaty issues, and treaty implementation. Enhanced understanding and increased awareness of treaties was achieved through public education initiatives delivered by the treaty table partners and treaty commissions. Their objectives also focused on reconciliation, initiating dialogue among diverse groups, both Indigenous and non-Indigenous, and participating in reconciliation activities hosted by other organizations. The ongoing activities on reconciliation are helping to create a unified Canada, with a greater understanding of Indigenous issues and how we all need to succeed for Canada to prosper. Furthermore, the discussions with and support to the tables and commissions demonstrate the government's commitment to renewing the relationship.

Strategic Outcome: The People

Individual, family and community well-being for First Nations and Inuit

Program 2.1: Education

Description

This Program supports First Nation and Inuit students in achieving educational outcomes comparable to those of other Canadians. Education is generally a provincial/territorial responsibility but, as a matter of policy, INAC funds elementary and secondary education for First Nation students ordinarily resident on reserve. The Education Program also provides financial support for post-secondary education to eligible First Nation and Inuit students. The overarching goal of INAC's Education programming is to provide eligible First Nation and Inuit students with quality education and ultimately, the opportunity to acquire the skills needed to enter the labour market and be full participants in a strong Canadian economy.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
1,779,502,873	1,779,502,873	1,805,232,412	1,805,134,484	25,631,611	277	272	(5)

The difference between Planned Spending and Actual Spending primarily reflects incremental funding provided through Supplementary Estimates to support the First Nation Student Success Program, the Education Partnerships Program and for Indspire (Budget 2015).

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
First Nation and Inuit students enabled, through funding, to achieve levels of education comparable to other Canadians.	Percentage of First Nation students ordinarily resident on reserve who graduate from high school.	Incremental increase year after year. (Ongoing)	The most recently available graduation rate (2013–2014) was 53.3%, which is an incremental increase of 3.4% compared to 2012–2013.[a]
	Number of First Nation and Inuit Post-Secondary Student Support Program (PSSSP) students who graduate with a post-secondary degree/diploma/certificate.	Due to reporting timelines and data availability, the baseline for these data will be established in 2014–2015. (Reporting against the established baseline will begin in 2014–2015.)[b]	Data to establish a baseline using the 2012–2013 academic year became available in December 2015. A total of 3,564 post-secondary students funded by INAC graduated in 2012–2013. Reporting of subsequent yearly data will be done against this baseline moving forward.
	Percentage of First Nation and Inuit population with post-secondary degree/certificate.	Incremental increase over five years relative to the 2011 National Household Survey. (Ongoing)	The most recent data from Statistic Canada's 2011 National Household Survey show that 34.6% of the First Nation population, who self-identify as First Nation in the survey, completed a post-secondary degree/certificate and 26.4% of the Inuit population completed a post-secondary degree/certificate.

[a] Graduation rate data provided in the DPR reflect the graduation of students from the previous academic year, which spans fiscal years. Therefore, the 2015–16 DPR would usually provide data on students from 2014–2015, however, due to unforseen circumstances, these data are not currently available.

[b] Subsequent to the publication of the 2015–16 RPP, it was determined that an additional year of data review and validation was required in order to set the best baseline data. This was noted in the 2014–15 DPR. The 2015–2016 Actual Results column provides baseline data for the first time, as planned in the 2014–15 DPR, and a plan to report against it in 2016–2017 and beyond.

Performance Analysis and Lessons Learned

Improving the education outcomes of First Nation children living on reserve is critical to improving their quality of life and contributing to stronger communities. The Minister of Indigenous and Northern Affairs Canada was mandated to: make significant new investments in First Nation education to ensure that First Nation children on reserve receive a quality education while respecting the principle of First Nation control of First Nation education; work with the Minister of Employment, Workforce Development and Labour to fulfill the Government of Canada's commitment to increase annual support to the Post-Secondary Student Support Program; and work with the Minister of Employment, Workforce Development and Labour and the Minister of Innovation, Science and Economic Development to promote economic development and create jobs for Indigenous peoples.

Budget 2016 provided substantial investments in primary and secondary education on reserve, totaling $2.6 billion over five years. This includes funding to address immediate needs and to keep pace with cost growth over the medium term, as well as investments in language and cultural programming, literacy and numeracy programs, and special needs education, which will contribute to improved education outcomes.

In order to fulfill the new government's commitments on First Nation education, the Department prepared for a consultative process to engage First Nations and seek advice on how the Department can best support First Nations in improving education outcomes for students attending schools on reserve, while respecting First Nation control of First Nation education. The Department also continued its engagement with provincial partners and other stakeholders to build stronger education systems that deliver better education outcomes for First Nation students.

The Department continued to implement the Strong Schools, Successful Students Initiative, which was renewed through Budget 2015 and delivered through the First Nation Student Success Program and the Education Partnerships Program. This initiative funded 75 proposals to enable First Nations and First Nation organizations to work with partners, engage with community members and enhance the capacity of First Nation organizations to provide school board-type services.

Budget 2016 also provided significant new investments to support both post-secondary students and post-secondary institutions, so that the next generation of Canadians is well-equipped to tackle the challenges of the future. INAC is directly engaged with Employment and Social Development Canada to support the government's work with students, parents, educators and Indigenous groups, exploring how best to ensure that students wishing to pursue post-secondary studies have the resources and supports they need to pursue their dreams and be full participants in the new global economy.

To expand employment opportunities for young Canadians, Budget 2016 proposed to invest an additional $165.4 million in the Youth Employment Strategy in 2016–2017. This includes $38.2 million for the First Nations and Inuit Youth Employment Strategy Skills Link Program administered by INAC. The Department continued to work with Employment and Social Development Canada on the Youth Employment Strategy and opportunities for Indigenous youth.

The Department launched the Post-Secondary Partnerships Program call for proposals on January 16, 2016. By the March 2, 2016 deadline, 211 proposals were received. Proposals were considered in June 2016, so that funds flow to recipients to support students in September 2016.

Program 2.2: Social Development

Description

This Program funds five social programs (Income Assistance, Assisted Living, National Child Benefit, Child and Family Services, and Family Violence Prevention) that assist First Nation individuals and communities to become more self-sufficient, protect individuals and families at risk of violence, provide prevention supports that allow individuals and families to better care for their children, and support greater participation in the labour market. The Program assists First Nation men, women and children to achieve greater independence and self-sufficiency in First Nation communities across Canada by providing funds to First Nations, First Nation organizations, provinces and others that provide individual and family services to on-reserve residents (and Yukon First Nation residents). These services help First Nation communities meet basic and special needs, support employability and an attachment to the workforce, and support the safety of individuals and families. Through these five social programs, First Nations are better able to advance their own development, leverage opportunities and actively contribute to the broader Canadian economy and society.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
1,711,936,209	1,711,936,209	1,767,436,611	1,767,363,171	55,426,962	151	144	(7)

The difference between Planned Spending and Actual Spending primarily reflects incremental funding provided through Supplementary Estimates to address family violence and violent crimes against Indigenous women and girls as well as the reallocations of resources to meet increased demand for social development programs and services.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
First Nation men, women and children are active participants in social development within their communities.	Percentage of communities using innovative community-driven approaches to program delivery.	Baseline + 1% annually	32% of First Nation communities are participating in Income Assistance Enhanced Service Delivery. (Baseline: 2014–2015: 29%) 68% of First Nation children who live on reserve have access to the prevention model within the First Nations Child and Family Services Program. (Baseline: 2014–2015: 68%)

Performance Analysis and Lessons Learned

In 2015–2016, INAC's Social Development program continued to make progress in improving the lives of First Nation people.

As a result of collaborative work with Employment and Social Development Canada, Income Assistance Reform has been successful in improving labour market outcomes of youth living on reserve. In 2015–2016, 2,900 youth benefited from Enhanced Service Delivery and 1,940 have transitioned off Income Assistance into either jobs or full-time school. Since implementation of the Income Assistance Reform in January 2014 more than 7,000 youth benefited from Enhanced Service Delivery and 4,006 have transitioned off Income Assistance into either jobs or full-time school.

While the overall on-reserve population and number of Income Assistance beneficiaries have increased, the Income Assistance dependency rate decreased to 31%, from 34% over the past few years. The decrease of the dependency rate can be in part attributed to the Income Assistance Reform, which provides both better support to Income Assistance youth beneficiaries as well as opportunities for them to access a range of services and programs aimed at advancing their participation in the labour market.

As another form of financial support to individuals and families, INAC provided $106 million of Assisted Living funding to over 500 First Nation communities. The Department continues to collaborate with Health Canada to explore the possibility of integrating all components of the federal on-reserve in-home care programming. Going forward, INAC will finalize a cost analysis on the program components begun in 2014–2015 to inform future program and policy options.

Meanwhile, the National Child Benefit sub-program and the National Child Benefit Reinvestment are part of a larger suite of anti-poverty measures and have continued to provide supports for low-income families. Through partnership with Employment and Social Development Canada, the lead on the National Child Benefit, as well as provinces, territories and First Nations, INAC is helping reduce the depth and effects of child poverty. For example, in 2015–2016, over $10 million was used to provide meals in on-reserve schools. The National Child Benefit Reinvestment supports are continuously reassessed to ensure that what is provided in First Nation communities is aligned as closely as possible with the supports provided by provinces/territories to children off reserve.

On December 8, 2015, the Government of Canada launched a National Inquiry into Missing and Murdered Indigenous Women and Girls, commencing with a pre-inquiry engagement. Led by the Minister of Indigenous and Northern Affairs Canada, the Minister of Justice, and supported by the Minister of Status of Women, 18 face-to-face meetings were held with stakeholders, including survivors, loved ones, experts and Indigenous organizations across the country. In addition, the pre-inquiry received more than 4,100 responses through an online survey and 300 written submissions. The views and ideas gathered will help shape the scope, leadership, timeline and mandate of the Inquiry.

In the area of Child and Family Services, INAC continued to establish and strengthen co-ordination with key partners, notably with Saskatchewan and British Columbia, by clarifying roles and responsibilities, increasing information sharing, and improving compliance tools. In a similar vein, an information sharing agreement with the Government of Manitoba was finalized and endorsed by federal and provincial officials.

INAC has also accepted the decision of the Canadian Human Rights Tribunal and is committed to a full-scale reform of the First Nations Child and Family Services Program. The Department provided immediate relief through new investments announced in Budget 2016 to ensure program stability and provide support to First Nation children and families on reserve. Additionally, key partnerships were developed and strengthened with provinces and First Nation agencies that will contribute to the long-term program reform as directed by the Canadian Human Rights Tribunal decision. The Department is committed to addressing Child and Family Services program reform through regional and national engagement, identifying best practices and joint research opportunities and strengthening partnerships with all key stakeholders.

In 2013–2014, shelters across Canada saw over 60,300 admissions of women. For INAC-funded shelters, usage has increased slightly since 2006. Almost half of abused women in Canada do not report incidents to the police. This demonstrates a continued need for funded shelters. These facts are particularly relevant to INAC's Family Violence Prevention efforts, given that the violent crime rate on reserve is eight times higher than the violent crime rate off reserve, and due to the prevalence of risk factors and root causes of family violence in First Nation communities.

As of 2014–2015, there were 601 shelters (including 41 INAC-funded family violence shelters) for abused women operating across Canada: 74% (445) of these shelters served clients residing off reserve and 26% (156) served clients residing on reserve. In 2014–2015, 2,887 women and 2,828 children accessed the services of the INAC-funded family violence shelters.

As part of these family violence prevention efforts, INAC funded 303 violence prevention and awareness projects in 2015–2016 that focused on intervention, culturally sensitive services (elder and traditional teachings), anger management and men's programming, and self-development projects (healthy parenting and financial skills). In addition, the Department worked actively to strengthen partnerships and improve co-ordination with key partners by participating in a second National Roundtable on Missing and Murdered Indigenous Women and Girls with provinces, territories and National Aboriginal Organizations on February 26, 2016. All parties committed to outcomes and priorities for action, including a national awareness campaign.

Program 2.3: First Nations Individual Affairs

Description

This Program contributes to ensuring federal stewardship of the legislative and administrative responsibilities of the federal government pertaining to registration, membership, status cards and estates. Results are achieved through direct client services and partnerships with First Nations to determine eligibility for registration under the *Indian Act;* issuing proof of registration documents, such as the Secure Certificate of Indian Status; and administering estates under the *Indian Act.* Through client-centric service delivery, the sound administration of individual affairs contributes to the well-being of First Nation individuals, families and communities.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
25,732,113	25,732,113	29,687,786	29,564,330	3,832,217	236	238	2

The difference between Planned Spending and Actual Spending primarily reflects additional resources reallocated internally for registration and membership activities.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Registered Indians access programs, services and benefits to which they are entitled.	Number of Registered Indians.	No target for registration as it is a voluntary activity.	As of March 31, 2016, there were 957,466 Registered Indians.
	Percentage of Registered Indians with an active Secure Certificate of Indian Status over the total registered population.[a]	90% by March 31, 2020	As of March 31, 2016, 17% of Registered Indians had an active Secure Certificate of Indian Status.
Estates of deceased First Nation individuals are resolved in accordance with a will or the *Indian Act*.	Percentage of estate files opened for which executors and administrators are appointed.	100% by March 31, 2016	62%

[a] For measurement purposes, the measurement value in this performance indicator has been changed from "number" to "percentage" to better determine the difference between the registered population and those who have actually applied and received an active Secure Certificate of Indian Status.

Performance Analysis and Lessons Learned

In 2015–2016 the Department continued to register individuals entitled to Indian status, including those applying pursuant to the *Gender Equity in Indian Registration Act*. As of March 31, 2016, there were a total of 957,466 Registered Indians, 36,969 of whom were registered pursuant to the passage of the *Gender Equity in Indian Registration Act* in 2011.

The Department invested significant resources in a client-friendly process to apply for Secure Certificate of Indian Status (SCIS). The percentage of Registered Indians with an active SCIS has reached 17% in fiscal year 2015–2016. While the established target is set at 90% by March 2020, there are a variety of factors that could affect the Department's ability to attain this target. These factors include: (a) continued access to and issuance of the (non-secure) Certificate of Indian Status; (b) issuance of Temporary Confirmation of Registration Document. As part of its normal operations, the Department continues to review and identify ways to make the SCIS more accessible by clarifying policies, facilitating its application process (e.g., clarifying and simplifying document requirements) and improving its delivery standards to increase the overall percentage of Secure Certificates in circulation.

The Department also continued the integration of business functions related to registration and issuance of SCIS into a seamless, client-centric service delivery model. This business integration, expected to be completed in April 2021, includes a review of the application form for 2016–2017 and alignment of document requirements. The application form will replace multiple separate forms, facilitating access to services for clients. When complete, these changes will also allow INAC to deliver a simplified registration and card issuance experience to its applicants, regardless of the service delivery option they choose. The April 2021 completion date reflects the time needed to adequately address the complexities associated with the client-centric service delivery model.

The goal of the Estates sub-program is to empower First Nation members to administer the estates of deceased First Nation individuals who were ordinarily resident on a reserve before their death. As such, a departmental employee will be appointed only if no eligible, non-departmental individual is willing or able to administer the estate. Of the 651 appointed administrators, 92% were non-departmental.

Further, the Government of Canada published a new standard on identity and credential assurance to ensure consistency in identity management practices. This is to ensure individuals are who they claim to be, and that organizations that have control over identity information maintain it properly. The application of the new government standard to registration and card issuance will allow INAC to reduce the number of identity documents required from applicants to obtain their SCIS, and to align those document requirements with those needed for registration.

The Department also continued the development of the Indian Registration and Estates Management System (IREMS) as an IT solution to consolidate four existing departmental systems and to modernize service delivery. In 2015–2016, the business case for IREMS was developed to address part of the Treasury Board of Canada Secretariat's IT-enabled gating process framework. In addition, a project steering committee was established to support sound project governance.

Improvements were made to the training available to staff on the complexities of the registration provisions of the *Indian Act,* which increased the Department's ability to reduce the inventory of applications within a reasonable time frame. The Department continued to examine its processes to identify efficiencies that are expected to allow it to render decisions more expediently.

Finally, in pursuit of its objective of appointing executors and administrators of wills and estates under the authority of section 43(a) of the *Indian Act,* in 2015–2016 the Department undertook focused communications and public education activities to enhance awareness of estates management among First Nation individuals and communities by providing information sessions and distributing publications in First Nation communities. At the same time, the Department worked to strengthen its estate management policies and programs by updating its guidelines for the administration of property for minors, developing guidelines for its Estate Management Program, and surveying regions on their management of Dependent Adults files.

While the number of decedent estates varies throughout a given year, as of March 31, 2016 there were 3,504 active decedent estates files. During 2015–2016, the Department opened 1,044 new decedent estates files, for which it appointed 651 (62%) administrators or executors. The current estates process provides a 120-day timeline for appointing an estate administrator. Although it is the Department's goal that every estate has an administrator within this timeline, a number of factors may affect this process, including: the Department being notified of a death close to the end of fiscal year, delays caused by court actions, delays in communications with clients, and availability of resources and capacity.

Program 2.4: Residential Schools Resolution

Description

This Program supports a fair and lasting resolution to the legacy of Indian Residential Schools and promotes reconciliation with former students, their families and communities, and other Canadians. INAC implements the Indian Residential Schools Settlement Agreement (IRSSA) — a multi-party negotiated settlement monitored by the courts — by resolving claims of abuse under the Independent Assessment Process and meeting the Government of Canada's obligations vis-à-vis the Truth and Reconciliation Commission. In addition to its legal obligations under IRSSA, INAC promotes reconciliation between the Government of Canada and Indigenous peoples, as well as between Indigenous and non-Indigenous peoples, through specific reconciliation initiatives. A fair resolution of the legacy of Indian Residential Schools contributes to improved relationships between Indigenous peoples and other Canadians, and strengthens Indigenous communities.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
441,605,934	441,605,934	496,957,326	316,813,828	(124,792,106)	352	458	106

The difference between Planned Spending and Actual Spending primarily reflects the deferral of Independent Assessment Process settlement payments and delivery funding for continued implementation of the Indian Residential Schools Settlement Agreement (this deferred funding has been re-profiled to future years when it will be available for the intended purpose). In addition, the difference reflects incremental funding provided through Supplementary Estimates for the continued implementation of the Indian Residential Schools Settlement Agreement and to support the National Centre for Truth and Reconciliation, Legacy of Hope and Reconciliation Canada.

The difference between Planned and Actual FTEs reflects incremental resources provided for the continued implementation of the Indian Residential School Settlement Agreement.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A fair resolution to the legacy of Indian Residential Schools is supported as set out in IRSSA.	Delivery of services (Independent Assessment Process) within established service standards related to the Settlement Agreement.	Deliver services as demonstrated in the sub-programs.	The Indian Residential Schools Settlement Agreement will be completed when Canada meets its obligations to the satisfaction of the courts.

Performance Analysis and Lessons Learned

In pursuit of its objective of supporting a fair resolution to the legacy of Indian Residential Schools as set out in the IRSSA, in 2015–2016 the Department had a number of accomplishments across the many aspects of IRSSA implementation. Firstly, INAC continued work to conclude all aspects of the Common Experience Payment component. This included substantially completing the Personal Credits program, with over 30,000 applications received and $57.3 million payments sent. This component of the Settlement Agreement was substantially completed by March 31, 2016. Going forward, the Department will prepare a request for direction for the courts to finalize the close-out of the Common Experience Payment and Personal Credits programs.

The Court Order of Madam Justice Brown on the close-out of the Designated Amount Fund (DAF) — the fund set aside for paying Common Experience Payments and Personal Credits of Residential Schools survivors — was entered on July 21, 2015. The Order placed a bar on future applications for Common Experience Payment, Personal Credits applications, and any requests to add an institution through Article 12 of the Settlement Agreement. This is an important step in the successful completion of this component of the Settlement Agreement, allowing for the transfer of the remaining DAF to the National Indian Brotherhood Trust Fund and Inuvialuit Education Foundation. Four existing Article 12 challenges remain to be resolved.

On the occasion of the release of the Truth and Reconciliation Commission's Final Report, the Prime Minister committed to working with partners to design a national engagement strategy for developing and implementing a national reconciliation framework, informed by the Truth and Reconciliation Commission's recommendations.

INAC disclosed 203 document packages to the Indian Residential Schools Adjudication Secretariat to facilitate the Independent Assessment Process. The Indian Residential Schools Adjudication Secretariat resolved 3,378 Independent Assessment Process claims through decision, negotiated settlement, withdrawal, jurisdictional decision, or ineligibility. This includes 2,273 decisions rendered by the Indian Residential Schools Adjudication Secretariat and 408 claims resolved through the Negotiated Settlement Process. Since 2007 the Independent Assessment Process has received 38,087 claims, of which 3,516 remain in progress. Since 2007, $3.004 billion in settlement payments have been made.

The Department also completed the transfer of documents from Library and Archives Canada to the Truth and Reconciliation Commission before the end of the Commission's mandate. A total of 967,555 documents were disclosed to the Commission. Working collaboratively with the Commission and building trust was key not only to the document disclosure project's success, but to repairing relationships.

INAC participated in the Truth and Reconciliation Commission's Closing Event, providing educational and promotional material for the education day, and supporting travel costs in the amount of $350,000 for former students attending the event. Also at this event, the Department announced $2 million in funding as a gesture of reconciliation, which included $1 million to support the National Centre for Truth and Reconciliation, $250,000 for the Legacy of Hope Foundation, and $768,800 for Reconciliation Canada.

Following the release of the Truth and Reconciliation Commission's Final Report, as an initial response to Call to Action 78, Canada provided an additional $1.138 million to the National Centre for Truth and Reconciliation to support education and reconciliation opportunities.

The conclusion of the mandate of the Truth and Reconciliation Commission marks a significant milestone in the implementation of the Indian Residential Schools Settlement Agreement. The Commission's Calls to Action provide a path forward for healing and reconciliation.

Strategic Outcome: The Land and Economy

Full participation of First Nations, Métis, Non-Status Indians and Inuit individuals and communities in the economy

Program 3.1: Indigenous Entrepreneurship

Description

Supporting Indigenous entrepreneurship leads to greater participation in the economy and improved economic prosperity for Indigenous Canadians. This Program is guided by the *Federal Framework for Aboriginal Economic Development* and its vision of strengthening Indigenous entrepreneurship. The sub-programs within this Program work together to support the creation and growth of viable Indigenous businesses by providing access to business capital, support services and business opportunities. In playing this key support role, the Program expects to influence longer-term Indigenous business viability, leading to improved economic prosperity for Indigenous Canadians.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
42,637,318	42,637,318	40,642,245	40,562,630	(2,074,688)	42	34	(8)

The difference between Planned Spending and Actual Spending primarily reflects reduced funding requirements for the Business Capital and Support Services sub-program for activities such as planning and marketing. This funding has been reallocated to other departmental priorities.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Creation and/or expansion of viable Indigenous businesses.	Number of Indigenous businesses created and expanded through the support of Aboriginal Financial Institutions (AFI).	1,000 by March 31, 2016	1,290 Indigenous businesses were created or expanded through the support from Aboriginal Financial Institutions for fiscal year 2014–2015.[a]
	Percentage of AFI-supported Indigenous businesses actively repaying developmental loans.	80% by March 31, 2016	The percentage of AFI-supported Indigenous businesses actively repaying developmental loans is 94%.

[a] Performance data are reported by the National Aboriginal Capital Corporations Association (NACCA) and lag one fiscal year behind due to the detailed and intensive nature of the data collection and its dependence on timely submissions by the Aboriginal Financial Institutions. The compiled data are reported by NACCA as part of the 2015 Aboriginal Financial Institution Portrait, i.e. submitted to the NACCA to create the 2015 Aboriginal Financial Institution Portrait.

Performance Analysis and Lessons Learned

INAC supported the full participation of First Nations, Métis, Non-Status Indians and Inuit, both individual entrepreneurs and businesses, in the Canadian economy.

The Aboriginal Business Financing Program successfully transitioned to the National Aboriginal Capital Corporations Association with 14 Aboriginal Financial Institutions acting as program delivery partners. The transition increased Indigenous control, modernized the existing governance structure, enabled greater collaboration, increased the speed of decision making, and created efficiencies in the use of capital.

With the recent transition, an evaluation of Business Capital and Support Services confirmed the overall performance, relevance and efficiency of the Program. In response to the evaluation's recommendations, INAC developed a Management Response and Action Plan to establish incentives to attract interest and investment from the private and philanthropic sectors to leverage additional capital and diversify the portfolios of Aboriginal Financial Institutions as well as develop quantitative and qualitative indicators to measure economic/social impact.

The results of initial research on the Capital Attraction Tool revealed that potential investors will seek evidence of the effectiveness of the Aboriginal Financial Institutions Network and how the loan portfolio can be adequately securitized. The National Aboriginal Capital Corporations Association continues to assess the securitization of the Aboriginal Financial Institutions Network and the results will be used to inform the criteria for the establishment of a fund.

Canada's growing Indigenous tourism industry was actively supported, including: developing the National Aboriginal Tourism Association of Canada's Five Year Strategic Plan: The Path Forward (2016–2021); a joint INAC presentation at the Canadian Council of Tourism Ministers meeting; national showcase of Indigenous culture; tourism experiences at Rendez-vous Canada 2015; and a memorandum of understanding with the Aboriginal Tourism Association of Canada.

The Procurement Strategy for Aboriginal Business is providing input for the Nunavut Land Claims Agreement procurement policy to address Article 24 of the Agreement, which requires the development of an Inuit set-aside policy and benefits criteria, including INAC's roles and responsibilities in the future. The Procurement Strategy for Aboriginal Business is renegotiating the re-procurement of the Health Information and Claims Processing System, which will include an Aboriginal Participation Component to generate economic development opportunities for Indigenous businesses. The Procurement Strategy for Aboriginal Business is also negotiating an Aboriginal Participation Component for the Canada Border Services Agency Assessment and Revenue Management project valued at $371.5 million, and a mandatory Aboriginal Participation Component for the Department of National Defence's Health Care Providers Services worth an estimated $1.3 billion.

Procurement strategies on unexploded ordnance clearing and remediation activities were developed for First Nation communities with the Department of National Defence. INAC provided support to incorporate Aboriginal participation language in calls for proposals.

INAC participated in 39 outreach activities on the federal procurement processes to influence the availability of federal procurement opportunities for Indigenous business. INAC provided awareness and training sessions; renewed a memorandum of understanding and work plan with the Office of Small and Medium Enterprises to co-ordinate the delivery of information and training regarding Indigenous procurement opportunities and to explore new approaches to maximizing Indigenous business participation in federal and other potential opportunities; and signed a memorandum of understanding with Public Services and Procurement Canada to access the Procurement Strategy for Aboriginal Business and other federal procurement data to improve data collection and reporting.

To support enhanced Indigenous business participation in the public and private sectors, INAC funded the Canadian Council for Aboriginal Business to complete research studies, which examined the lack of industry knowledge about Indigenous businesses, lack of access to financing, importance of partnerships for Indigenous business growth, measurement of the short- and long-term socio-economic gaps between Indigenous and other Canadian businesses and the resulting impacts at the community and business partnerships levels.

INAC, in partnership with Statistics Canada, has initiated a study to analyze the economic impact of Procurement Strategy for Aboriginal Business set-asides on the Canadian economy and Indigenous communities and businesses. This study also aims to identify the industry sectors in which there is government demand for products and services as well as Indigenous business capacity that is being under-utilized.

Program 3.2: Community Economic Development

Description

Supporting community development leads to greater participation in the economy and improved economic prosperity for Indigenous Canadians. This Program is guided by the *Federal Framework for Aboriginal Economic Development* and its vision of Enhancing the Value of Indigenous Assets, and supports activities that promote conditions for economic development. In playing this key support role, Community Economic Development programming expects to promote greater self-reliance and participation in the mainstream economy, and community well-being.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
213,382,395	213,382,395	330,755,795	293,179,002	79,796,607	401	434	33

The difference between Planned Spending and Actual Spending primarily reflects incremental funding provided through Supplementary Estimates for out-of-court settlements and funding reallocated internally for the assessment, management and remediation of federal contaminated sites, and the Community Opportunity Readiness Program, offset by the deferral of activities associated with the implementation of treaty land entitlement in Saskatchewan. Specifically, a portion of the funding provided for payments to the Saskatchewan Association of Rural Municipalities and to the Province of Saskatchewan for compensation for the loss of their tax base as a result of the settlement of treaty land is not required in 2015–2016 due to delays in the transfer of lands to reserve status; this deferred funding that was not required in 2015–2016 has been re-profiled to 2016–2017 when it will be available for the intended purpose.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Enhanced conditions for First Nation and Inuit communities to pursue greater independence/self-sufficiency and sustainable economic development are in place.	Percentage of band-generated revenue in relation to total revenue.[a]	13% by March 31, 2016	13% as of March 31, 2015
First Nation land is available for economic development through permits and leasing.	Number of new leases and permits.	1,000 by March 31, 2016	1,448 by March 31, 2016

[a] Due to reporting timelines for community audits, data for this indicator are not available until midway through the fiscal year. Therefore, results will be based on data from the previous fiscal year.

Performance Analysis and Lessons Learned

Through the Community Economic Development Program, INAC has supported the full participation of First Nations, Métis, Non-Status Indians and Inuit, both individuals and communities, in the economy.

First Nation and Inuit communities are increasingly pursuing economic opportunities, which are leading to greater independence and economic self-sufficiency. Results demonstrate that band-generated revenues are increasing and that communities are successfully utilizing their lands to enable economic development, while protecting the environment.

Operational legislation, such as the *First Nations Commercial and Industrial Development Act* (FNCIDA) and the *First Nations Land Management Act* (FNLMA), have enabled community jurisdiction and control over key activities and attracted private sector proponents, such as potash mining companies, who are willing to partner with First Nations to build large-scale commercial and industrial development projects on reserve land.

The Muskowekwan First Nation, the Province of Saskatchewan and the Government of Canada (INAC) have signed a tripartite agreement and negotiated federal regulations under the optional FNCIDA, to incorporate a provincial regulatory regime allowing development of a solution potash mine on the Muskowekwan First Nation reserve to proceed under the same regulatory regime as potash mines located off reserve. The Muskowekwan Potash Mine will provide significant employment opportunities for First Nation members and generate $50–$80 million annually in royalties for the First Nation over the mine's 80-year lifespan.

Under the Contaminated Sites (On Reserve) Program, INAC supported environmental assessment activities on 137 sites and remediation activities on 96 high-priority sites. This has resulted in decreased risk to human health and safety, an increase in land available for development and a reduction in federal liability related to contaminated sites.

INAC reviewed a total of 1,113 projects for their environmental impacts, and none of the projects was identified as being likely to cause significant environmental effects. In December 2015, INAC held a national workshop to explore the potential of establishing environmental indicators on reserve as part of state of the environment reporting on reserve.

Targeted investments in economic development projects, such as industrial parks and commercial centres, are attracting private sector business investments on reserve of over $70 million this year, while increasing employment opportunities and income for years to come.

INAC continues to support community planning, including land use plans and strategic economic development plans, as well as capacity building for land management and economic development. This work supports healthy and environmentally sustainable communities and prepares First Nations to effectively respond to economic opportunities and continue attracting private sector investment. INAC will fund $14.25 million over the next two years to support the Strategic Land Use Planning Initiative, in addition to the 15 new land use planning pilots supported in 2015–2016 and a land use planning workshop held in March 2016.

An increasing number of First Nations are managing their own land transactions. The increase is attributed to expansion of the Reserve Lands and Environmental Management Program and the First Nations Land Management Regime, as well as enhanced First Nation access to land management capacity training. The progress (62.5%) is slightly below the target of 65%. This small shortfall is attributed to the number of communities in the developmental phase of the First Nations Land Management Regime that were delayed in scheduling their ratification votes and transitioning to operational status under which they will manage their own transactions.

Six new entrants were welcomed into the First Nations Land Management Regime in 2015–2016. Meanwhile, six other First Nations held successful ratification votes to become fully operational under the Regime, for a total of 56 operational First Nations and 90 First Nations active in this Regime. The First Nations Land Management Resource Centre hosted a series of regional workshops focused on assisting FNLM Regime First Nations in the drafting of their environmental management strategies, laws, and enforcement regimes.

An evaluation of Lands and Economic Development Services carried out in 2015–2016 found that the sub-program complements other activities and funding under the Land and Economy Strategic Outcome. However, the evaluator also recommended that more be done in the future to ensure that programs under Land and Economy maximize their efforts. INAC has developed a Management Response and Action Plan, which includes: strengthening the current formula used to provide funding to operational First Nations in the First Nations Land Management Regime in order to achieve greater results; reviewing Data Collection Instruments and the Performance Measurement Strategy to ensure they adequately inform departmental decision making around community development, with a focus on the outcomes of economic development and land management activities; increasing collaboration and efforts to enable planning around land to facilitate opportunities for economic development; developing a strategy for continued capacity development so that communities maximize access to the continuum of Lands and Economic Development programs, including transition to sectoral self-government; and exploring the continued relevance of the different components under the *First Nations Oil and Gas and Moneys Management Act,* given the limited participation of First Nations.

Land surveys help to define land interests to better enable community development and economic activity on reserve. New survey standards were implemented that reduced the time and costs associated with completing on-reserve surveys. Also, in collaboration with Natural Resources Canada, electronic survey approval software was developed to streamline the approval process and piloted in INAC regional offices.

Work began in 2015–2016 to complete a comprehensive update to the *Indian Act* land management policies in partnership with the National Aboriginal Lands Managers Association.

Progress continued on the implementation of the *Indian Oil and Gas Act* and a new set of regulations. A third consultation draft of the regulations was used to consult First Nations at Alberta and Saskatchewan symposiums and work is underway to finalize a blue-stamp version of the regulations for publication in the Canada Gazette Part I.

As part of the evaluation of land administration, INAC developed a Management Response and Action Plan. The Action Plan commits to implementing land use planning, completing an analysis of survey cost and capacity; and updating the Land Management Manual. Indian Oil and Gas Canada will also implement strategies for recruitment and retention.

Program 3.3: Strategic Partnerships

Description

The Strategic Partnerships Initiative (SPI) is an innovative horizontal program intended to align federal efforts to support Indigenous participation in complex economic opportunities, particularly large regional opportunities and major resource developments. SPI provides a mechanism for federal partners to collectively identify emerging opportunities, target investment decisions, and streamline program application and approval processes to support Indigenous communities at the early stages of large and complex economic opportunities. In doing so, the initiative also helps build closer partnerships with non-federal partners, including provincial and territorial governments, the private sector, and Indigenous communities. SPI contributes to the Land and Economy Strategic Outcome by aligning federal efforts, leveraging investments from other levels of government and the private sector, and addressing gaps in programming to ensure Indigenous Canadians can participate in, and benefit from, priority regional opportunities and major resource developments.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
39,586,727	39,586,727	39,648,489	39,648,489	61,762	78	72	(6)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Investments are leveraged from other levels of government and the private sector.	Value of federal and non-federal funds leveraged under the Strategic Partnership Initiative.	$15 million by March 31, 2016	$22 million as of March 31, 2016

Performance Analysis and Lessons Learned

INAC leveraged $22 million in investments from federal and non-federal funds under SPI, exceeding the target established for the program by $7 million.

SPI supports the participation of communities in major economic development opportunities through the following activities: early engagement and partnership development, increasing community financial capacity, skills development and training, and the provision of information and resources to help communities engage with partners and stakeholders. A total of 16 initiatives were supported under the program, including West Coast Energy in British Columbia, the Ring of Fire in Northern Ontario, the Labrador Trough mining development in Quebec, biomass projects in the North, and shipbuilding in Atlantic Canada.

In 2015–2016, INAC worked with federal departments, such as Health Canada, to use the flexibility provided by SPI's umbrella terms and conditions to establish a pilot project that enables a single-window approach to funding and reduces the reporting burden for program recipients.

SPI supported the increase of Indigenous participation in West Coast energy infrastructure developments in response to the recommendations of the Special Federal Representative on West Coast Energy Infrastructure. Working with a number of other federal departments, the program made investments totaling $15.7 million to support projects focused on engagement and awareness, environmental participation, jobs and growth, and fish habitat restoration.

INAC works with other federal partners to complete environmental scans and develop opportunity profiles on emerging economic development opportunities that could potentially be supported under the program. Over the last year, 18 such profiles were completed on opportunities such as clean energy in British Columbia and mining developments in Voisey's Bay.

Program 3.4: Infrastructure and Capacity

Description

This Program supports First Nation communities in acquiring, constructing, owning, operating and maintaining a base infrastructure that protects their health and safety and enables their engagement in the economy. The Emergency Management Assistance sub-program supports the four pillars of emergency management on reserve: mitigation, preparedness, response and recovery. Other sub-programs provide funding and advice to support housing, capacity building, and community infrastructure, including water and wastewater systems, education facilities, roads and bridges, electrification, and community buildings. Ultimately, this program enables First Nations to participate more fully in the Canadian economy by establishing a base of safe infrastructure that meets established standards, and housing and infrastructure that meets the needs of First Nation communities as well as supporting the four pillars of emergency management.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
1,252,453,270	1,252,453,270	1,299,754,223	1,294,213,707	41,760,437	254	244	(10)

The difference between Planned Spending and Actual Spending primarily reflects additional funding provided through Supplementary Estimates to reimburse First Nations and emergency management service providers for on-reserve response and recovery activities, to support the repair and construction of on-reserve schools and for Operation Return Home: Manitoba Interlake Flood Remediation and Settlement, offset by funding reallocations to other departmental priorities, notably Social Development and Governance and Institutions of Government.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
First Nation communities have a base of infrastructure that protects their health and safety and enables engagement in the economy.	Percentage of inspected INAC-funded infrastructure assets projected to remain operational for their life cycles.	Target will be set in 2015–2016 following first year of data collection.[a]	55% for schools; 77% for water/wastewater; 66% for roads and bridges; 44% for other community infrastructure.[b]
	Percentage of First Nation drinking water systems with treated water that meets prescribed standards in the *Guidelines for Canadian Drinking Water Quality*.	87% by March 31, 2019	92%
	Percentage of First Nation wastewater systems producing treated wastewater that meets effluent quality regulations and guidelines.	70% by March 31, 2019	80%

[a] The targets were developed at the end of the 2015–2016 fiscal year, for the following years.
[b] The actual results achieved in 2015–2016 was the establishment of the baseline going forward.

Performance Analysis and Lessons Learned

In 2015–2016, the Department continued to work with First Nation communities to deliver the Capital Facilities and Maintenance Program[3] to ensure that infrastructure investments were strategic and reflected national priorities while also ensuring that the Program's budget was well-managed and produced results informed by value-for-money decisions that supported the objective of having a base infrastructure that protects the health and safety of on-reserve communities and enables their engagement in the economy.

As owners of their infrastructure, First Nations have the flexibility to prioritize funding to meet their community-identified priorities, which may reduce the funding available to support the operation and maintenance of essential physical infrastructure to maximize the life cycle of assets. This could result in slower progress in attaining the objective of ensuring First Nation communities have a base infrastructure that protects their health and safety and enables engagement in the economy, measured by the percentage of INAC-funded infrastructure assets projected to remain operational for their life cycles.

Other community infrastructure captures over 30 different assets types related to energy systems, fire protection, structural mitigation and other essential physical community infrastructure for First Nations on reserve. The assets funded under the Other Community Infrastructure sub-program have not been traditionally prioritized for funding under existing INAC programs. As a result, the percentage of other infrastructure assets that have remained operational for their life cycle is lower than that reported for asset groups such as housing, educational facilities, and water/wastewater, which have benefited from a range of funding, including targeted funds, in past years. INAC recognizes the need to invest more strategically in all community infrastructure assets and will continue to work with First Nations communities to ensure that infrastructure priorities are identified in their annual investment plans and funded in a sustainable manner moving forward.

INAC enhanced capacity building and operators training for water and wastewater systems by implementing the new Circuit Rider Training Guidelines. The percentage of operators certified to the level of their respective water and wastewater system remained stable, at 66% and 55% respectively. These certified operators are better able to ensure that systems meet the *Guidelines for Canadian Drinking Water Quality* and Environment Canada's *Wastewater Systems Effluent Regulations*.

In 2015–2016, the First Nations Infrastructure Investment Plan, the National Priority Ranking Framework and the Priority Ranking Framework for Water and Wastewater Projects, which was updated in 2014–2015, were used to strategically allocate funds, including First Nations Water and Wastewater Action Plan funding, towards 290 water and wastewater projects. Of these projects, 93 were completed and 26 of the completed projects were major capital projects (funding greater than $1.5 million per project). Furthermore, the process to identify and fund infrastructure investment opportunities was revised to better support funding decisions by senior management that reflected national priorities. The revised process was implemented in August 2015.

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[3] The Capital Facilities and Maintenance Program consists of four sub-programs: water and wastewater, education facilities, housing, and other community infrastructure (such as fire protection, roads and bridges, and connectivity).

To ensure that First Nations have a base of infrastructure that protects health, the Department continued work to address the regulatory gap on reserve in Phase I regions by beginning to draft regulations under the *Safe Drinking Water for First Nations Act* for the Northwest Territories, and completing the first draft of drafting instructions for the Atlantic provinces. Engagement activities with First Nations and other stakeholders were funded through Aboriginal Representative Organizations in Ontario, Manitoba and Saskatchewan (Phase II regions) to support regulatory development. In addition, Budget 2016 committed $1.8 billion over five years, starting in 2016–2017, for investments in water and wastewater to address health and safety needs, ensure proper facility operation and maintenance, and end long-term drinking water advisories on reserve.

In 2015–2016, INAC provided partial or complete funding to 26 school projects. This resulted in the construction of 21 new schools and nine additions/renovations. Of these 26 projects, nine were substantially completed and it is expected that the remainder will be completed by March 2020.

INAC continued to pursue new approaches for the management, financing and delivery of on-reserve assets by working with the Atlantic Policy Congress and the Halifax Water Authority to develop a corporate structure that supports a First Nations Water Authority in the Atlantic region; revising the Schools Space Accommodation Standard; and bundling of the following three bundles of school projects in a new approach for managing, financing and delivering school projects to increase efficiency and value-for-money:

- three school projects in Little Red River Cree Nation in Northern Alberta;
- four new schools and two school projects in Bunibonibee Cree Nation, God's Lake First Nation, Manto Sipi Cree Nation, and Wasagamack First Nation in Northern Manitoba; and
- two new schools in Fort Severn First Nation and Poplar Hill First Nation in Northern Ontario.

The Department also supported a pilot project with Aboriginal Savings Corporation of Canada (ABSCAN) in the Quebec region to explore the possibility of expanding and replicating the Wendake/ABSCAN housing model in other high-needs First Nation communities. The pilot project had three objectives:

- providing a $1.4-million pilot loan fund to demonstrate demand and commitment from partner First Nations;
- developing an incremental approach to implementing prerequisites for home ownership, including land and property regimes;
- identifying an appropriate financing structure and support requirements.

INAC also made progress in establishing emergency management bilateral agreements to help ensure that First Nations are receiving emergency assistance services comparable to those available to nearby non-First Nation communities. In 2015–2016, INAC signed a five-year bilateral agreement with the Northwest Territories and a four-year bilateral agreement with the Province of Prince Edward Island for emergency management services. In 2015–2016, the Department had three emergency management bilateral agreements in place. INAC also continued to negotiate emergency management bilateral agreements with the remaining provinces and the Yukon Territory.

A program evaluation completed in 2015–2016 pointed to a need for continued program funding to address the specific and significant energy challenges faced by off-grid and northern diesel-dependent communities, and made recommendations on program design and delivery elements.

Budget 2016 provided $10.7 million over two years (starting in 2016–2017) to implement renewable energy projects in off-grid Indigenous and northern communities that rely on diesel and other fossil fuels to generate heat and power. This new funding will be delivered by INAC as the Northern REACHE Program and will address the recommendations made in the ecoENERGY program evaluation.

Program 3.5: Urban Indigenous Participation

Description

This Program supports the participation of urban Indigenous individuals and communities in the economy. The Program is comprised of two streams: Community Capacity Support and Urban Partnerships. Community Capacity Support provides funding to urban Indigenous community organizations to establish a strong and stable base from which to deliver initiatives that increase the participation of urban Indigenous people in the economy. Urban Partnerships encourages partnership development and community planning, making investments in projects that increase the participation of urban Indigenous people in the economy. In order to achieve more substantive outcomes in urban Indigenous communities, the program collaborates with key stakeholders to undertake strategic planning, articulate outcomes for communities, identify priorities, and jointly implement initiatives. In its approach, the program provides a vehicle by which the federal government can work with other governments, urban Indigenous organizations, and other stakeholders to support urban Indigenous individuals and communities in pursuing social and economic opportunities.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
53,457,622	53,457,622	50,351,308	50,336,798	(3,120,824)	13	13	0

The difference between Planned Spending and Actual Spending primarily reflects the reallocations of funding to other departmental priorities.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Partners work together to implement identified priorities and approaches to increasing urban Indigenous participation in the economy.	Percentage of total Urban Aboriginal Strategy investment in partnerships at the two highest levels of the partnership maturation index.	40% by March 31, 2019	The partnership maturation index is no longer measured. As an alternative measure the program funded and facilitated the completion of eight regional strategic plans and 37 Urban Partnership projects.

Performance Analysis and Lessons Learned

In 2015–2016, INAC continued to support the National Association of Friendship Centres in their administration of the Community Capacity Support and the Urban Partnerships programs. The National Association of Friendship Centres provided funding to 131 urban Indigenous organizations across Canada under the Community Capacity Support program, and 185 initiatives received funding under the Urban Partnerships program.

The Department targeted its portion of the Urban Partnerships program funding to support the development of eight regional strategic plans, which identified the key areas to focus the National Association of Friendship Centres' funding investments for both programs in 2016–2017. In a number of regions the planning process built on existing collaborative processes among municipal governments and Indigenous organizations, while in others it led to the establishment of new partnership tables. Partnership arrangements varied in their makeup of stakeholders and were at different stages of development. The effectiveness of partnerships will be measured over the coming years.

The current Performance Measurement Strategy was developed in 2013, prior to the Government of Canada's approval of substantial revisions to the Urban Aboriginal Strategy, and was to have been updated in 2015–2016 to identify performance measures that were more reflective of the expected results of the two new programs. As the program will be further redesigned in 2016–2017, the Performance Measurement Strategy will not be revised until future program objectives are determined.

Budget 2016 provided the Urban Aboriginal Strategy with a one-year funding renewal of $23.7 million. INAC will engage with Inuit, Métis and First Nations to review the effectiveness of the current program's design and delivery model with a goal to better meet the needs of all Indigenous peoples.

Strategic Outcome: The North

Self-reliance, prosperity and well-being for the people and communities of the North

Program 4.1: Northern Governance and People

Description

This Program strengthens the North's communities and people by devolving to territorial governments responsibilities for lands and natural resources; by fostering effective intergovernmental relations with territorial governments and providing support to Territorial Commissioners; by subsidizing the costs of nutritious perishable foods and other essential items in isolated Northern communities; by providing grants for hospital and physician services in Nunavut and the Northwest Territories; by working with Northern communities to identify the risks and challenges posed by climate change; and by advancing interests of Canadians and Northerners through circumpolar forums. Canadians and Northerners will benefit with territorial governments ultimately having more control over their own affairs.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
150,430,663	150,430,663	149,134,761	147,466,620	(2,964,043)	67	65	(2)

The difference between Planned Spending and Actual Spending primarily reflects funding reallocations to other departmental priorities offset by additional funding provided through Supplementary Estimates to negotiate a Nunavut devolution agreement-in-principle.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Northerners have greater control over their economic and political affairs.	Number of final devolution agreements fully implemented with territorial governments on land and resource management.	Two by March 31, 2016	Two final devolution agreements are fully implemented (Northwest Territories and Yukon).
Community health and safety in the North is strengthened.	Annual average Revised Northern Food Basket price trend.	Comparable to the annual trend (increase/decrease) for the Consumer Price Index basket for food by March 31, 2016	The average price of the Revised Northern Food Basket rose by 2%, from March 2015 to March 2016, half the rate of growth of food prices for Canada as a whole.
	Number of new and revised codes and standards, and guidelines for infrastructure in the North being adopted.	Four out of four codes completed by March 31, 2016	All four of the northern infrastructure standards have been completed and are available as national standards for the Canadian public.

Performance Analysis and Lessons Learned

Following devolution of responsibilities for land and natural resources to the governments of Yukon (2003) and the Northwest Territories (2014), INAC continued to support the Chief Federal Negotiator on Nunavut devolution negotiations towards an agreement-in-principle, or Phase 2 of the devolution process, until that process paused with the expiry of the federal mandate in October 2015. Greater control over political and economic affairs resulting from the implementation of devolution in Yukon and Northwest Territories continues to inform expectations and outcomes for the Nunavut devolution process. Lessons flow from fostering effective relations with the parties and stakeholders to ensure the devolution agreement addresses the unique political and economic circumstances in Nunavut and results in a successful transition.

The Department contributed to food security in the North by supporting access to perishable, nutritious food in 103 eligible communities through the provision of subsidies to northern retailers and southern suppliers registered with the Nutrition North Canada (NNC) Program. Between March 2015 and March 2016, the Revised Northern Food Basket[4] for communities that were then eligible for a full subsidy increased by 2.04%, while "food purchased from stores" in the Consumer Price Index, as reported by Statistics Canada, increased by 4.16%, suggesting that the NNC subsidy had a positive impact on the cost of food in these communities.

To support community consultation and engagement, the Nutrition North Canada Advisory Board held a face-to-face Advisory Board meeting in July 2015 that included a public meeting with community members in Kugluktuk, Nunavut. This was followed by an announcement from the Minister of Indigenous and Northern Affairs Canada requiring that NNC major retailers show itemized subsidy savings on retail receipts after April 1, 2016, a new mandatory program requirement that further enhanced both the transparency and accountability of the NNC Program.

INAC continued to address recommendations from the Office of the Auditor General Fall Report[l] on how to improve the NNC Program. The Department examined community eligibility criteria and completed a detailed review of all isolated northern communities to better understand the challenges they face in accessing perishable food due to their isolation. The resulting community profiles[li] have been posted to the Program's website and will be used to inform future Program updates. Through Budget 2016, the Program will receive $64.5 million over five years starting in 2016–2017, followed by $13.8 million per year ongoing from 2021–2022, to expand its coverage to all isolated northern communities. As well, on May 30th, 2016, the Department launched an engagement process across the North to listen and learn from Northern residents on how to further improve the Program.

Building on lessons learned from implementation of the Climate Change Adaptation Program, INAC received $46 million over five years through Budget 2016 to address climate change impacts and adaptation. This will allow INAC to enhance its approach by separating work into two programs, focused on the North and First Nations on reserve in the South, respectively. In turn, the Department will be able to tailor its support more effectively to regionally specific adaptation needs and advance the development of adequate information and support tools.

Through the Northern Infrastructure Standardization Initiative (2011–2012 to 2015–2016), INAC worked with the Standards Council of Canada to engage Northerners in the development of infrastructure standards to consider impacts of thermosyphons,[5] community drainage, permafrost on existing foundations, snow loading on roofs, and geotechnical site investigation. Four of the four infrastructure standards have been completed and are available as national standards for the Canadian public through the CSA Group.[lii] A fifth standard was also completed and will be published early next fiscal year.

The Climate Adaptation and Resilience Program for Aboriginals and Northerners, referred to as the Climate Change Adaptation Program,[liii] has supported a total of 73 individual community and territorial projects in more than 100 communities over the past five years. These projects facilitated community vulnerability assessments, adaptation planning, tools and knowledge dissemination. Specifically, in 2015–2016, the Program funded 38 community and territorial projects that helped communities manage climate change-related risks, including specific and pan-arctic impacts.

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[4] The Revised Northern Food Basket is a tool to estimate the weekly cost of a nutritious diet for a family of four in isolated communities. The Department monitors the annual trend (increase/decrease) of the Revised Northern Food Basket in comparison to the trend of the Consumer Price Index basket for food as an indicator of the efficiencies realized with the implementation of the Nutrition North Canada Program.

[5] A thermosyphon is a hollow pipe that is half-buried near infrastructure to maintain the integrity of the temperature of the soil. It uses passive heat exchange, moving gas cooled by the outside air from the top of the pipe to the buried (bottom) portion, where warmer air is displaced. This process continues as long as the air temperature is colder than the ground temperature.

With the completion of Canada's 2013–2015 Arctic Council Chairmanship and the Sustainable Development Working Group Chairmanship, the Department is renewing efforts for advancing strong bilateral relationships with our Arctic neighbours, as evidenced by INAC's contribution to the March 2016 U.S.-Canada Joint Statement on Climate, Energy, and Arctic Leadership.

Program 4.2: Northern Science and Technology

Description

This Program aims to support scientific research and technology in the North through programs and infrastructure to ensure domestic and international policy on key issues for the North is better informed by a scientific knowledge base. The focus of this program is: researching and monitoring contaminants and their impacts on the ecosystem and human health through the Northern Contaminants Program; assessing, managing and communicating scientific data and results, and contributing expertise to help inform public policy making and international controls on certain contaminants; and supporting work to establish the Canadian High Arctic Research Station. Northerners and all Canadians will benefit from a knowledge base that supports health and sustainable development and the positioning of Canada as an international leader in Arctic science and technology.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
48,961,314	48,961,314	64,860,149	64,447,283	15,485,969	58	42	(16)

The difference between Planned Spending and Actual Spending primarily reflects additional funding provided for the Canadian High Arctic Research Station through Supplementary Estimates, partially offset by funding transferred to Polar Knowledge Canada.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Domestic and international policy on northern health and sustainable development is better informed by a scientific knowledge base.	Percentage of Northern Contaminants Program datasets used in regional, national and international policy-relevant assessments and obligations under international conventions.	80% by March 31, 2016	100% of 144 datasets
Canada is positioned as an international leader in Arctic science and technology.	Number of international Arctic science and technology partnerships between INAC and international collaborators.	Two to four partnership agreements by March 31, 2016	Polar Knowledge Canada came into force in June 2015 and is now responsible for reporting on this performance indicator.

Performance Analysis and Lessons Learned

In collaboration with program partners, INAC continued to advance contaminant-level monitoring in wildlife and people in the Canadian North, with respect for and inclusion of traditional knowledge, and transferred this knowledge to Northerners and policy makers.

In 2015–2016, the Department contributed data and expertise to national and international initiatives aimed at monitoring, assessing, and reducing or eliminating contaminants from anthropogenic[6] sources that pose a potential health risk for wildlife and people. This included support for the development of the 2015 Human Health Assessment[liv] and other upcoming contaminants assessments produced under the Arctic Council's Arctic Monitoring and Assessment Programme,[lv]

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[6] Relating to or resulting from the influence of human beings on nature.

Canadian contributions under the Stockholm Convention[lvi] and the Minamata Convention,[lvii] as well as domestic initiatives such as the selenium assessment under the Chemicals Management Plan.[lviii]

Following guidance from the Northern Contaminants Program Management Committee, INAC will further explore opportunities to demonstrate the multiple ways scientific information and traditional knowledge are being produced through the Program, as well as how this knowledge contributes to action at regional, national and international levels. Findings will be reflected in the final Knowledge in Action report of the *Canadian Arctic Contaminants Assessment Report III.*

Northern partners and health experts have identified a gap in human biomonitoring studies for contaminants across Canada's North. These biomonitoring projects are complex, require significant consultation and communication efforts as well as resources, resulting in a considerable amount of co-ordination and planning. In order to best co-ordinate efforts and resources, INAC will hold a Human Biomonitoring and Risk Communications Workshop in partnership with Health Canada in 2016–2017. The workshop will assemble health authorities from across the North, Indigenous partners and health experts to set a plan for biomonitoring.

In 2015–2016, the Department collaborated with the University of Waterloo, Indigenous partners, and other government departments to establish a biomonitoring program in the DehCho Region, Northwest Territories. The program was established following an earlier community-led pilot project that focused on engaging community members on the topic of environmental contaminants and the role of traditional foods in their communities. Biomonitoring is now underway in the DehCho Region and a similar pilot project has also been launched in the Sahtu Region.

Polar Knowledge Canada (POLAR) was established as a new federal research organization on June 1, 2015, through the coming into force of the *Canadian High Arctic Research Station Act.* As part of its mandate, the organization will advance the delivery of the Canadian High Arctic Research Station's Science and Technology Program,[lix] which was formerly led by INAC. In 2015–2016, the Department continued to support the construction of infrastructure for the Canadian High Arctic Research Station (CHARS) campus on behalf of the Government of Canada, and worked collaboratively with POLAR to ensure alignment between campus infrastructure and the science and technology needs.

In March 2016, INAC signed an agreement with the Qulliq Energy Corporation for upgrades to community power generation, as well as energy transmission to the CHARS campus. The Department also worked with the Government of Nunavut to upgrade a water treatment plant, as well as the associated waterline distribution, which will provide upgrades for the community and piped water to the research station. Through these efforts, INAC was able to support the integration of CHARS within the existing community infrastructure and established a mutually beneficial relationship in which both the community and the research station are well supported.

Inuit Benefit Plans have been used as the key mechanism to deliver on the Nunavut Land Claims Agreement obligations in procurement related to CHARS, including on the construction project, the purchasing of equipment and leased housing. This approach includes implementation of an Inuit Human Resources Plan that identifies targets for Inuit labour force participation, an Inuit Skills Development Plan for on-the-job training and an Inuit Business Plan that provides for contracts to be awarded to Inuit-owned firms. As of February 2016, approximately $52.8 million had been contributed to the CHARS construction project Inuit Benefits Plan. This new approach offers greater flexibility for the awarding of contracts and has led the Department to explore further applications of this approach in other similar projects.

Program 4.3: Northern Land, Resources and Environmental Management

Description

This Program focuses on the management, sustainable development and regulatory oversight of the land, water, natural resources, and environment of the North, delivering on the Department's role as the Government of Canada's natural resource manager in Nunavut and the offshore, and its post-devolution responsibilities in the Northwest Territories and Yukon. This Program involves managing oil and gas resources development; supporting the sustainable management of active mineral exploration and development; supporting the sound management of contaminated sites, Nunavut and the few remaining INAC-managed land and water areas in the North; and ensuring the completion of territorial land-use planning, including zones for conservation, development and other uses. Northerners and Canadians will benefit from economic opportunities and sustainable development.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
195,493,907	195,493,907	191,506,907	180,587,234	(14,906,673)	226	226	0

The difference between Planned Spending and Actual Spending primarily reflects the deferral of activities associated with the Federal Contaminated Sites Action Plan. The associated funding will be re-profiled to future years when it will be available for the intended purpose.

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Effective regulatory regimes are established in each of the three territories, providing certainty to project proponents, Indigenous organizations and Northerners.	Nunavut's ratings for three factors (1: administration, interpretation, enforcement of regulations; 2: environmental regulations; 3: regulatory duplication and inconsistencies) reported in the Fraser Institute Annual Survey of Mining Companies.	The percentage of industry encouraged to invest, or not deterred, by the three factors shall each increase by 10 percentage points by March 31, 2016	The Nunavut investment climate, as reported by the Fraser Institute, declined by 2 percentage points for Factor 1, increased by 2 percentage points for Factor 2 and declined by 4 percentage points for Factor 3.
	Percentage of Nunavut projects and national interest or trans-boundary NWT projects approved within regulated timelines in process, including decisions on environmental assessments.	100% by March 31, 2016	Nunavut: no projects submitted. NWT: one project submitted.[a]

[a] The federal decision was communicated to the Government of the NWT on May 18, 2016, within the regulated timelines of the *Mackenzie Valley Resource Management Act*, and was followed by a public announcement[lx] on May 19, 2016.

Performance Analysis and Lessons Learned

According to the most recent Fraser Institute Annual Survey of Mining Companies, the investment attractiveness score in Nunavut has remained fairly stable over the past year, increasing from 73% to 74%, despite an overall decrease in investment attractiveness in the North.

In 2015–2016, INAC sustained its efforts in promoting the North's resource economy while protecting the environment. The Department provided technical and procedural advice and analysis to the Nunavut Impact Review Board and the Mackenzie Valley Environmental Impact Review Board on eight major natural resource development project reviews (five in Nunavut and three in the Northwest Territories). Of these, the environmental assessment recommendation for the Ekati Jay project in the Northwest Territories was submitted for approval under regulated timelines, representing the first project for which decision making was delegated to the Territorial

Government following devolution. The Department also prepared for the implementation of development certificates under the *Mackenzie Valley Resource Management Act,* which will contribute to project monitoring activities.

In Nunavut, the Department supported implementation of the *Nunavut Planning and Project Assessment Act.* Amendments to the *Yukon Environmental and Socio-economic Assessment Act* were also enacted following recommendations stemming from a review of the Act, and with the purpose of making regulatory improvements in line with the other northern territories. On October 14, 2015, three Yukon First Nations brought a petition against the governments of Canada and Yukon in the Supreme Court of Yukon alleging that four amendments to the *Yukon Environmental and Socio-economic Assessment Act* under Bill S-6 breached the honour of the Crown, undermined the First Nations' treaty rights and breached their final land claim agreements. Through a consultative and collaborative approach with First Nations and the Territorial Government, agreement was reached in March 2016 on amendments to the Act that would address the concerns of the First Nations.

Signed by INAC, the Government of the Northwest Territories, the Yellowknife Dene First Nation, the City of Yellowknife, Alternatives North and the North Slave Métis Alliance, the Giant Mine Remediation Project Environmental Agreement established an independent oversight body for the project, as well as funding for a research program. The Agreement's research component is a unique feature arising from the measures of the project's environmental assessment, and aims to explore new and innovative ways of addressing the need for long-term management of the arsenic trioxide at the site.

The Department also amended the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* to reduce the regulatory burden, ensure more timely and predictable water licence review processes, and implement more robust enforcement provisions to protect the environment. The *Mackenzie Valley Land Use Regulations* and the *Northwest Territories Water Regulations* were also updated and modernized to reflect the recent legislative changes.

In 2015–2016, the Department continued to manage mineral, oil and gas rights in accordance with the *Canada Petroleum Resources Act* and the *Nunavut Mining Regulations,* including the administration of the royalty regime and collection of Crown revenues from oil and gas companies and mining companies, as well as the conduct of all audits of royalty returns submitted prior to the devolution of lands and resources management to the Government of the Northwest Territories in 2014. Work also progressed in 2015–2016 on the implementation of a modernized online map selection system for Nunavut mineral exploration and mining companies, including progress on the drafting of the proposed amendments to the current *Nunavut Mining Regulations* and the associated development of the IT system.

In February 2016, the Department entered into a security management agreement with the Kivalliq Inuit Association and Agnico Eagle Mines Limited to split reclamation security equally between the Inuit land owner and the Crown for Agnico's Meliadine gold mine project in Nunavut. This new approach builds on existing relationships, and encourages greater collaboration and support for the co-management of mineral resource development projects.

An evaluation of the Petroleum and Minerals sub-program conducted in 2015–2016 identified a need for INAC to clarify the roles and responsibilities amongst partners and ensure thorough information sharing for all parties. In response, the Department has committed to develop a new outreach and education approach and identify shared information requirements for the management of lands, water resources and field operations. The Department will also continue to work with partners to support geoscience research and maximize the value of other northern scientific research by further collaborating with federal and territorial partners and stakeholders through the Canada-Nunavut Geoscience Office, and collaborating with scientific partners on the co-ordination of northern scientific research and dissemination of information. Regional and strategic environmental initiatives will also be used to ensure that information for decision making based on evidence and scientific knowledge is integrated into regulatory processes.

In 2015–2016, INAC continued to assess the environmental impacts of potential oil and gas activity through regional partnerships and research. With the Budget 2016 announcement of $19 million over five years, the Department will continue to support collaboration with researchers and Inuit communities to gather existing research and traditional knowledge, and to conduct new research on the Arctic environment in support of evidence-based decision making.

INAC also continued to support ecosystemic and socio-economic monitoring in the North through the Nunavut General Monitoring Plan. Working with partners and recipients, the Department supported the development of the Baker Lake Watershed Aquatic Monitoring Program,[lxi] as well as 12 other research projects and one data management initiative. Work continued on the development of an interactive socio-economic mapping system using statistical data provided by the Government of Nunavut.

To ensure the protection of human health, safety and the environment for all Northerners and Indigenous peoples, INAC advanced the management of contaminated sites in the North. In support of public engagement, in 2015–2016, over 100 community consultation events were held with more than 1,400 community members from affected communities. Events included public meetings, meetings with elders, and site tours.

The Department also conducted care and maintenance and risk mitigation activities at the Giant Mine[lxii] site to eliminate high human and environmental health and safety risks, such as the stabilization of degrading underground chambers and pits, as well as the decontamination and removal of deteriorating infrastructure, including the C-shaft headframe. Requirements from the final Environmental Assessment Report[lxiii] continue to be integrated into project planning and are being addressed on a priority basis, as illustrated by the signing of the Giant Mine Remediation Project Environmental Agreement[lxiv] on June 17, 2015.

The C-shaft headframe at the Giant Mine is an iconic structure that was once used to bring miners down to the subsurface mine workings, and had become a safety risk to onsite workers. A plan was put in place to dismantle it; however, due to the historical significance of the structure, there was additional engagement with the local heritage society, community, and Indigenous groups. The consultation process concluded with broad acceptance that the work had to be done in the interests of safety, and the Yellowknife Dene First Nation was able to provide traditional knowledge that influenced when and how the work took place. The work was completed and resulted in the mitigation of a major risk at the site, demonstrating the value of early and inclusive engagement in project activities.

Key activities were also advanced at the Faro Mine site in the Yukon Territory, including the completion of a draft report outlining a proposed approach to construct a diversion for the North Fork Rose Creek, which is one of the most critical components of the project, to ensure the continued protection of the environment.

Internal Services

Description

Internal services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. Internal services include only those activities and resources that apply across an organization, and not those provided to a specific program. The groups of activities are Management and Oversight Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Materiel Services; and Acquisition Services.

2015–2016 Budgetary Financial Resources (dollars)					2015–2016 Human Resources (FTEs)		
Main Estimates	Planned Spending	Total Authorities Available for Use	Actual Spending (Authorities used)	Difference (Actual minus Planned)	Planned	Actual	Difference (Actual minus Planned)
233,659,100	233,659,100	292,875,027	268,654,893	34,995,793	1,457	1,431	(26)

The difference between Planned Spending and Actual Spending primarily reflects incremental funding to continue Canada's legal obligations under the Indian Residential Schools Settlement Agreement, offset by the deferral of funding for an out-of-court settlement (this deferred funding that was not required in 2015–2016 has been re-profiled to future years when it will be available for the intended purpose) as well as internal reallocations to address funding pressures in: Information Technology; Legal Services (billings from the Department of Justice for work on Indigenous and Northern Affairs Canada's litigation files); Management and Oversight; Financial Management; and Material Management.

Performance Analysis and Lessons Learned

To improve and transform internal services, in 2015–2016 the Department:

- Integrated IM/IT planning into the departmental planning process, including governance and policy suite renewal. INAC undertook a rigorous IT planning exercise where the Department was required to identify priorities for IT projects by applying a challenge function to determine the demand for IT resources against the supply of IT resources.
- Performed a successful trial of the Enterprise Architecture (EA) tool against Project Portfolio Management Framework (PPMF) requirements and developed integrated IM/IT PPMF policies and guidance to ensure Enterprise Information Management practices were reflected and supported in system changes and implementation. Guidance and tools to implement EA and Enterprise Information Management practices were developed and will be implemented in 2016.
- Raised opportunities for improvements to address deficiencies in the areas of system performance, reconciliation and communication for the Shared Travel Services Initiative.
- Submitted areas for further enhancements to the Procure to Payment functionality and other shared financial system functionalities through the INAC partnership with Health Canada. These changes target the streamlining of the approval process for financial transactions and improvements to the information displayed for procurement transactions.
- Achieved multi-organizational consensus on priorities for changes to key functionalities of the Grants and Contributions Information Management System. These planned enhancements include automating the surplus and deficit processes, and improving the design to better support the default prevention and management policy.
- Adjusted its Strategic Accommodations Plan and defined (with Public Services and Procurement Canada) the effects of the new funding framework for the departmental space envelope. A major project for office moves/space reconciliation was completed in order to optimize workspace. Three workplace 2.0 retrofit projects have been postponed.

- Updated the three-year Departmental Security Plan. Following the recommendations of an internal audit on occupational health and safety, which included the revision of the Occupational Health and Safety Strategic Plan, INAC continued to implement the action plan and the Existing Hazard Prevention Program, as well as provide training to managers and employees to mitigate potential physical risks to employees and other security risks.

As part of the Government of Canada's Web Renewal Initiative, INAC also reviewed and updated, archived or deleted 58% of its web content by the end of 2015–2016. All web content for the National Inquiry into Missing and Murdered Indigenous Women and Girls was developed using the new Treasury Board Secretariat's "canada.ca" specifications and these became the most frequently accessed INAC web pages in December to February, 2016. The Department's success with this approach has been shared widely with other government departments.

To advance a culture and environment of high performance, in 2015–2016 the Department:

- Undertook consultations across the Department to discuss the 2014 Public Service Employee Survey results and to determine how to address them. Sectors and Regions developed action plans. INAC's senior management took firm commitments to ensure that activities are implemented and that progress reports are communicated to the employees.
- Deployed extra efforts to provide support and training to employees and managers on the completion of the performance management process, and tools (online public service-wide application) and receiving meaningful feedback and recognition. The percentage of employees with learning plans in place increased from 78% in 2014–2015 to 89% in 2015–2016, which should strengthen talent management and learning.
- Partnered with Treasury Board Secretariat, Correctional Services Canada, Employment and Social Development Canada, and Parks Canada and launched the fourth cohort of the Aboriginal Leadership Development Initiative. Thirty-five (35) applications from Aboriginal employees were received.
- Created a Departmental Advisory Committee on Values and Ethics comprised of employee volunteers. One of their first tasks is to review INAC's Code of Values and Ethics.
- Continued to ensure effective oversight of operations by conducting 10 audits and 10 evaluations and by identifying, monitoring and responding to corporate risks. Through this work, the Department ensures the appropriate use of human and financial resources and ensures programs and services delivered by INAC are relevant, efficient and effective.
- Produced over 30 studies, fact sheets and research summaries on issues such as housing, post-secondary and labour market outcomes, connectivity, mobility and health. Collaborated with key partners in continuing to implement the Surveys on Aboriginal Peoples program, which this year included the release of preliminary statistics from the on-reserve First Nations Regional Early Childhood, Education, and Employment Survey.

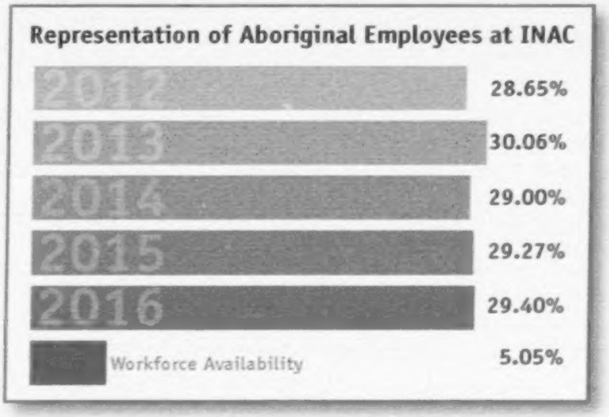
> As a result of a pilot project to recruit Aboriginal students, the number of Aboriginal students hired by the Department's Quebec regional office rose from 31% in 2014–2015 (four Aboriginal students out of 13 students hired) to 47% in 2015–2016 (eight Aboriginal students out of 17 students hired). This successful initiative is now being deployed across the Department.

An evaluation of recruitment, development and retention activities at INAC carried out in 2015–2016 found that there were discrepancies between the perceived and actual time required for staffing processes; according to departmental data, the length of time to staff has actually decreased for the majority of staffing actions. Efficiency of the staffing process was also found to be impacted by a lack of clarity regarding the roles and responsibilities of hiring managers and Human Resources employees. Based on the new public service direction on staffing, INAC has updated its human resources sub-delegation instrument and its staffing framework. Its tools for managers to address these issues provide more flexibilities while ensuring that key risks are managed effectively. The internal staffing monitoring framework is being updated to reflect these changes.

In the case of Aboriginal employees, data shows that INAC's actions to encourage Aboriginal representation in executive levels across the Department through targeted Aboriginal leadership development initiatives have yielded some positive impacts to enhance the participants' leadership competencies and prepare them for upward mobility.

Overall, the evaluation concludes that the management of Human Resources is a priority area of the federal government. While there is a need for more resources for the Human Resources function, ongoing efforts will help position it for enhanced levels of client service. As part of the new policy approach to staffing within INAC, administrative requirements (such as documentation requirements) have been reviewed to increase the efficiency of processes.

As part of the Deputy Ministers' Aboriginal Workforce Initiative II (recruitment/retention pillar), recommendations to promote Aboriginal recruitment in the Department have begun to be implemented to increase the representation of Aboriginal peoples. These included the development of an Aboriginal recruitment and retention framework (the draft developed in 2015–2016 is currently in consultation with internal stakeholders). As well, the Committee for the Advancement of Native Employment has worked co-operatively with senior management to raise awareness about Aboriginal peoples through training workshops and cultural activities.



Representation of Aboriginal Employees at INAC

In addition, a pilot project launched by INAC in 2014 to increase the number of Aboriginal students hired in the Quebec regional office has yielded positive results. Following an interdepartmental promotion campaign in schools, a video and other promotional tools, the number of Aboriginal students registered in the Federal Student Work Experience Program doubled from the previous year (from 65 in 2014–2015 to 125 in 2015–2016), accounting for roughly half of the new recruits (8/17) brought into the regional office. This initiative is being deployed across the Department.

Section IV

Supplementary Information

Supporting Information on Lower-Level Programs

Supporting information on lower-level programs[lxv] is available on INAC's website.

Supplementary Information Tables

The following supplementary information tables[lxvi] are available on INAC's website.

- Departmental Sustainable Development Strategy
- Details of Transfer Payment Programs of $5 million or More
- Horizontal Initiatives
  - Aboriginal Economic Development Strategic Partnerships Initiative
  - First Nations Water and Wastewater Action Plan
  - Income Assistance Reform: Enhanced Service Delivery
  - Indian Residential Schools Settlement Agreement — Health Support component
  - Nutrition North Canada
- Internal Audits and Evaluations
- Response to Parliamentary Committees and External Audits
- Status Report on Projects Operating with Specific Treasury Board Approval
- Status Report on Transformational and Major Crown Projects
- User Fees, Regulatory Charges and External Fees

Federal Tax Expenditures

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures annually in the Report of Federal Tax Expenditures.[lxvii] This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

Organizational Contact Information

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Appendix: Definitions

appropriation (crédit): Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires): Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report (rapport ministériel sur le rendement): Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Reports on Plans and Priorities. These reports are tabled in Parliament in the fall.

full-time equivalent (équivalent temps plein): A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes (résultats du gouvernement du Canada): A set of 16 high-level objectives defined for the government as a whole, grouped in four spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure (Structure de la gestion, des ressources et des résultats): A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

non-budgetary expenditures (dépenses non budgétaires): Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement): What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

performance indicator (indicateur de rendement): A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting (production de rapports sur le rendement): The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

planned spending (dépenses prévues): For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

plans (plan): The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

priorities (priorité): Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

program (programme): A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program Alignment Architecture (architecture d'alignement des programmes): A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities (rapport sur les plans et les priorités): Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

results (résultat): An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

statutory expenditures (dépenses législatives): Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome (résultat stratégique): A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

sunset program (programme temporisé): A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target (cible): A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées): Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

Whole-of-government framework (cadre pangouvernemental): Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under four spending areas.

Endnotes

[i] *Department of Indian Affairs and Northern Development Act*, http://laws-lois.justice.gc.ca/eng/acts/I-6/

[ii] *Indian Act*, http://laws-lois.justice.gc.ca/eng/acts/I-5/

[iii] *Nunavut Planning and Project Assessment Act*, http://laws-lois.justice.gc.ca/eng/acts/N-28.75/

[iv] *Northwest Territories Devolution Act*, http://laws-lois.justice.gc.ca/eng/AnnualStatutes/2014_2/

[v] Laws and regulations, http://www.aadnc-aandc.gc.ca/eng/1100100032311/1100100032315

[vi] *Canadian High Arctic Research Station Act*, http://laws-lois.justice.gc.ca/eng/acts/C-17.8/page-1.html

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